

CaPRI's Analysis of Political Pledges and Promises: A Summary

A Dual Approach to Election Monitoring in Jamaica

The Caribbean Policy Research Institute (CaPRI) introduces Jamaica's first microscopically brewed quantitative-qualitative manifesto analysis. Between July to August 2007, the think-tank closely probed and tallied the manifestos and the associated costs attached to the proposals of the country's two main political parties, the Jamaica Labour Party (JLP) and the People's National Party (PNP).

The major findings of the analysis were:

- (i) Financing of the manifesto promises by both parties requires at least 3 times the expected revenue for the first term, if a 0.5% annual economic growth rate is assumed;
- (ii) additional spending on economic growth and development programmes requires over \$102 billion for both parties;
- (iii) additional spending on crime could range from \$44 billion (JLP) to \$48 billion (PNP);
- (iv) and, human rights & justice makes only marginal contribution to the new fiscal burden for both parties.

Chronicled in this report also is an overview of this very successful exercise – the methodologies, research, assessments and Jamaica's feedback.

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CaPRI is a Caribbean think tank that promotes evidence-based policymaking in the region. CaPRI espouses a methodology which is built on the values of multi-disciplinary work, team work and the utilization of the Diaspora in our search for evidence. Committed to the region's development, CaPRI has strong linkages with the academic community, the private sector and civil society.

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Acknowledgements

Today, we are filled with a sense of accomplishment, as, for the first time since Universal Adult Suffrage in 1944; Jamaica witnessed one of the most groundbreaking election monitoring exercise (EME). This exercise should not be taken for granted, as it was a team's effort, the combined effort of all our partners, researchers, advisors and concerned citizens of Jamaica. Together, we created a synergy and CaPRI remains sincerely thankful for your kind spirit of collaboration.

In fulfilling our mandate of delivering evidence-based research to all Jamaicans in order to inspire better judgment and choice, we partnered with two of the country's top media – the Gleaner and CVM. We must therefore make special mention of our associates, Garfield Grandison and Byron Buckley of the Gleaner team; and David McBean and Jennifer Grant of the CVM team, who all gave invaluable support and sponsorship.

The gifted and hardworking team, who managed to dissect two manifestos, research issues, create models, write articles, engage the minds of professionals/experts and create graphics – almost routinely - for three consecutive weeks, must be applauded. Your commendable perseverance and the remarkable achievement are worth mentioning. CaPRI takes this opportunity to extend heartfelt gratitude to you all.

To the members of the CaPRI-Gleaner Election Monitoring Committee and the staff of the Sir Arthur Lewis Institute of Social and Economic Studies (SALISES) we say thanks. Special mention must also be made of Constable Wayne Franklin, Dr. John Rapley, Dr. Damien King, Dr. Alverston Bailey, Ralph Thompson, Dr. Patrick Bhoorasingh, Kim-Marie Spence, Charlene Sharpe-Pryce and Dr. Carolyn Gomes, who have all offered guidance and expertise where necessary.

We must also acknowledge those from the various government ministries who provided information and directives when called upon. In particular, we thank the representatives from the Ministries of Education, Health and Agriculture as well as persons from the Justice Training Institute.

We pay special attention to our audience and the overwhelming feedback we have received regarding our research and analysis. Most noteworthy is your call for policy change in education, governance and management of the economy, which is unwaveringly matched by our vision and pursuit of a progressive nation. So, we say thanks and we remain appreciative of your support.

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Foreword

Over the past year, CaPRI has led the call not simply for lively public debate – this has always been a feature of Jamaica’s democracy – but rather an equally lively discussion that is both fed and shaped by evidence-based research. We believe engaging in an election monitoring exercise (EME) serves the purpose of lifting the *political* debate. We believe that by putting objective research on the table we would be able to turn the talk towards the actual issues Jamaicans said they wanted addressed – crime, unemployment, health, and the economy among other things.

The period July to August 2007 saw us holding fast to this commitment, and so while the political campaigns moved to a fever, and sometimes a carnival-esque pitch, CaPRI was more than anxious and willing to return to more substantive issues. In light of this burning quest, CaPRI and the Gleaner engaged in a detailed analysis of the manifestos of the JLP and PNP. One of the main goals was to equip the minds of the electorate with ready figures so that they were able to compare proposed programmes with similar programmes that might or might not have worked in other countries, and be able to assess the likely consequences, drawbacks and benefits that will accrue from new policies.

This document is a succinct assessment of the work we have undertaken. It was the first time such an exercise has ever been done in Jamaica and we believe it has produced the most informed analysis of party platforms.

Outlined in the pages that follow is a comprehensive report of the work done by all our scholars and advisors. This includes the cost analysis methodologies that were applied to all the areas under study. Included also is a summary of our research findings on some of the Jamaica’s most pressing concerns such as: unemployment, worsening crime patterns, inefficient health care services, an ineffective justice and educational system and a partially unstable economy.

Overview of CaPRI

Since its inception, CaPRI has had a quest for holding policy-makers accountable for their actions which, to a great extent, determine the developmental potential of individuals, businesses and the wider society. This is why it embarked on the most comprehensive study of the Jamaican economy since independence and managed to frontally challenge the paradigms of almost every political, economic and social system that exist in Jamaica.

It all started early in 2003 with a group of concerned citizens from various walks of life – drawn from the academic, public and private sectors who met to discuss this concern. They judged that what Jamaica needed was a more informed public debate about the future course of the country. To do that, the research on the past was needed. So they set about surveying the extant literature on the Jamaican economy, and found that it had been decades since a comprehensive study had last been done.

In response to this gap in the country's knowledge, the Jamaican Economy Project was formed. It produced the first multidisciplinary and comprehensive study of the Jamaican economy since independence, and made use of dozens of Jamaican researchers at home and around the world, 42 to be exact. Without an ideological or partisan agenda, the Taking Responsibility project – as it came to be known – adopted an evidence-based methodology which allowed facts to inform the judgments of the research team.

Late in 2006, the final report of the Project was issued at a public gathering in Emancipation Park to an audience of 1,000 persons. Today hundreds of Jamaicans from diverse backgrounds are challenged and propelled to revisit the past, implement changes in the present and exercise wisdom in the use of our resources in the future.

A Call for Greater Accountability

The findings of *The Taking Responsibility Report*, gave added impetus for greater monitoring of our political decision-making process. While policy-makers are entrenched in identifying processes and systems in an effort to quell the country's many problems, our research have consistently shown a degree of ineffectiveness and even incompatibility between these policies and the problems they are intended to address. Crime, for instance, is undeniably a consequence of Jamaica's main social, economic and political problems. Yet, while policy-makers search for the 'magic formulation' of crime-fighting tactics, our research highlights crime as a much more complex and troublesome problem, that stems from the sharp decline in the legitimacy of the state.

Of equal importance is the finding that the quality of the country's post-independence leaders has been middling. This, we believe, has been a function of two main factors: a political system in which decision-making was concentrated at the top and the undeveloped independent monitoring of decisions. We intend to change this. The EME and other efforts should result in an eventual reversal of this pattern and the emergence of a system of **independent monitoring** that will raise the quality of leaders by holding them to standards.

The EME (Election Monitoring Exercise) Process

To assist the Jamaican electorate in making informed choices in the general elections for 2007, CaPRI undertook evidence-based research mainly through extensive assessments of public political statements. The EME relied on a number of statements which include party manifestos, other political party documents, public written or spoken statements by political candidates or party spokespeople, or anything deemed by the electoral research advisory committee to be in the public domain.

This EME was a 3-phased process that lasted for approximately months.

Phase 1 was dedicated to proper **designing of the research methodology** in order to ascertain its feasibility. During this period we also met with experts from varying fields on several occasions to discuss urgent matters affecting specific areas of society and to ultimately complete a thorough assessment of the arguments outlined in each manifesto document.

Phase 2 was spent **researching both the proposals as well as those concerns raised by the experts**, to produce a comprehensive set of expositions containing both qualitative as well as quantitative analyses.

Phase 3 saw the consolidation of both the qualitative as well as quantitative analyses which were presented to the public through the print and audio-visual media, in time for the elections.

Importantly, a formal agreement was made that neither the committee, nor CaPRI, endorsed or in any way favour either of the two main parties' manifestos or campaigns.

Research Design and Dynamics

In order to thoroughly dissect the contents of the manifestos, the research involved both qualitative as well as quantitative analyses. In general, the method of research had a combination of primary and secondary components that facilitated a rough estimation of the costs of some of the policies/promises made in the manifesto documents.

Public political statements were assessed according to three criteria:

- 1) internal consistency –
the statements of one party was set against all other relevant statements it has made, or its actions, to determine if the party platform is internally consistent.
- 2) consistency with known research and experience (viability) –
the party statements were set against known research and experience to determine the likely ability of proposals being made to meet the goals the party has set for itself.
- 3) and consistency with existing constraints (costs) –
the cost of proposals being made were estimated, and then set against the likely fiscal constraints, to determine their affordability (and hence likelihood of implementation).

As a guide to some of these costs we drew upon past budget documents, accounting resources from the main ministries affected by the programmes and policies being proposed, interviews from persons working in the fields under review, other countries' resources and the implementation of our own costing/statistical methodologies.

Team Composition

We sought after a comprehensive assessment hence, the EME constituted a dynamic mix of researchers, experts and consultants. The entire monitoring committee consisted of 27 individuals, with a total of 11 core persons who were specifically assigned the job of advising or researching. Though the monitoring had three phases, only the first 2 were critical to the research component and involved 3 main groups of individuals that were assigned specific tasks and responsibilities.

PHASE 1

(i) The CaPRI-Gleaner Election Monitoring Committee

The initial weeks of the monitoring exercise saw researchers engaging the minds of experts through war room sessions, attended by professionals in the fields of economics, political science, teaching, justice, medicine, religion, anthropology and business. These meetings served many purposes, among which were identifying pressing matters that each manifesto needed to address; probing the contents of each manifesto; and directing preliminary research based on policies and programmes that both parties had announced prior to the launch of the manifestos. Both manifestos were released late with the earlier appearing 2 weeks before the scheduled election.

The team relied on the *Gleaner*-commissioned **Bill Johnson poll** for insights on the issues of concern to Jamaica’s citizenry. Among the findings were that 68 per cent of respondents identified job creation as one of the greatest local needs while 61 per cent identified crime and violence as another pressing matter (<http://www.jamaica-gleaner.com/gleaner/20070722/lead/lead1.html>).

The committee later added seven more issues to this list which included economic growth, justice, human rights, governance, corruption, education and health. **The EME Committee was led by the priority list of the public, not their own.**

The CaPRI Committee **chose to remain anonymous**. The individual experts – non-CaPRI members – feared retaliation. This is one of the singular advantages of a CaPRI – a think tank is able to freely comment on issues of importance without the reputation of its individual members being sullied. The membership of the CaPRI-Gleaner Committee included experts on governance, human rights, rural development and culture, to name a few.

(ii) The Advisory/Steering Committee

The advisory committee was the CaPRI arm of the CaPRI-Gleaner committee and as such acted as facilitator of discussions during the meetings. They also had the additional role of writing the final articles that were submitted to the *Gleaner* and made television appearances necessary in the final phase.

Table 1: CaPRI’s Advisory Committee

Names	Expertise
Dr. John Rapley	Political Scientist
Dr. Damien King	Economist/Consultant
Kim-Marie Spence	Anthropologist
Keith Collister	Business Analyst
Latoya Richards	Researcher/Economist

PHASE 2

(i) The Research Team

The team was headed by the researcher from the Steering Committee, whose roles and responsibilities were to delegate tasks on a daily or weekly basis; ensure research quality control; prepare or assist in preparing articles; tallying and documenting the associated costs; and

researching specific areas as the need arises. She was assisted by a 7-member team of research assistants (RAs) who were assigned duties on the basis of their level of skills and expertise.

Each RA was assigned at least two areas for research, depending on his/her experience and the amount of time available.

There were three types of RAs:

- one that dealt **solely with the researching**, writing parts or full articles, doing comparative analysis of each manifesto, data collection, interviewing and preparing charts and graphs, for a couple of days(1);
- another which was “on-call” and functioned as a **field researcher** by supplying the resources (such as copies of statistical data, budgets etc), interviewing persons from the respective areas of research, data collection as well as comparative analysis(2);
- the third which **worked closely with the steering committee** and was responsible for researching issues, supplying source material where necessary, doing comparative analysis and contributing to discussions surrounding the articles for the *Gleaner* (3), for the entire period.

Table 2: The Research Cohort

Names	Area of Research
Kwesi Dennis (3)	Justice & Human Rights/Education
Pierpont Wilson(3)	Education/Health
Lorette Scoborogh (2)	Employment/Health
Sashana Miller (1)	Employment
Mik-hail Ann Urquhart (1)	Employment
Hilda Darkwah (1)	Justice & Human Rights/Governance and Corruption
Latoya Richards	Employment/Economy
Michelle Harris (1)	Crime

(ii)The Advisory/Steering Committee

The advisory committee also played an important role in directing the research team and often met with the team to ensure control of the research.

Manifesto Analysis: A Summary

CaPRI, the Gleaner and CVM Television engaged in a detailed analysis of the manifestos of the JLP and PNP that lasted for over two months. Our purpose was to lift the political debate – just a little – from questions of which party leader should go dance in a club, or which leader was a flip or a flop. By putting objective research on the table we hoped to turn the talk towards the actual issues Jamaicans say they wanted addressed – crime, unemployment, health, and the economy among other things.

One question that recurred frequently is why didn't we – claiming as we do to have such competent and innovative minds on our team – put forward an alternative manifesto ourselves? That answer is simple. The task of proposing a manifesto is the privilege and responsibility of a political party – and that is something we intend never to become or be confused for. Where we found places that both parties had glaring omissions in their own manifestos, we called them to task on it. For instance, in their treatment of crime, the parties have not adequately dealt with the link between political power and crime, i.e.: garrisons.

Preliminary Manifesto Analysis

Within the first week of the release of the manifestos, we undertook a general content analysis to find out what has been put on the table, how firmly and what has been left off? While politicians always face the temptation to say everything is a priority, an interesting part of the EME was to weigh these priorities by looking at how much time was actually spent on what issues in their documents and speeches.

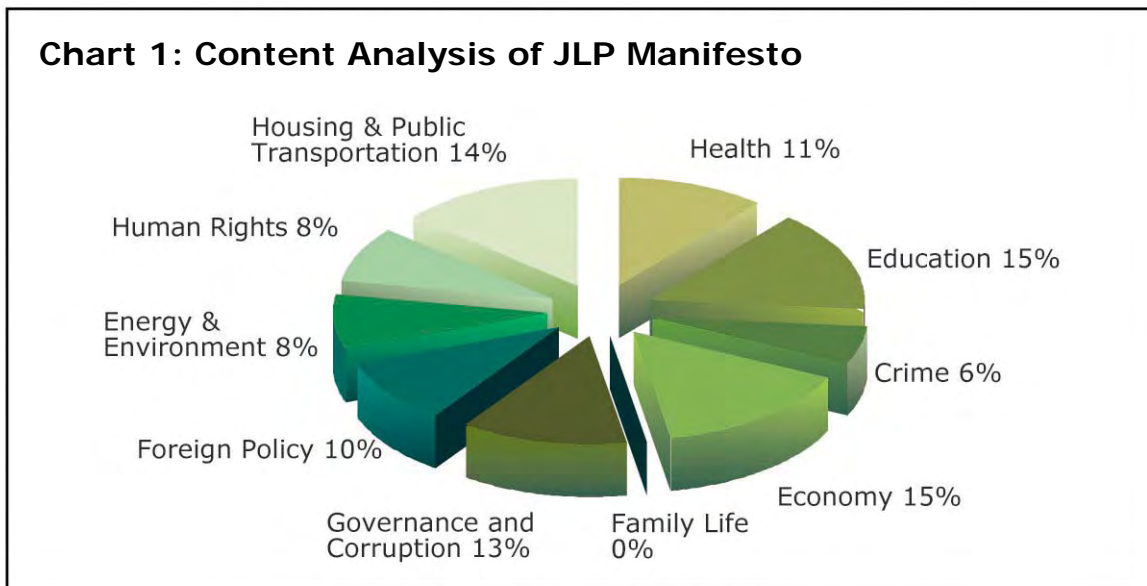
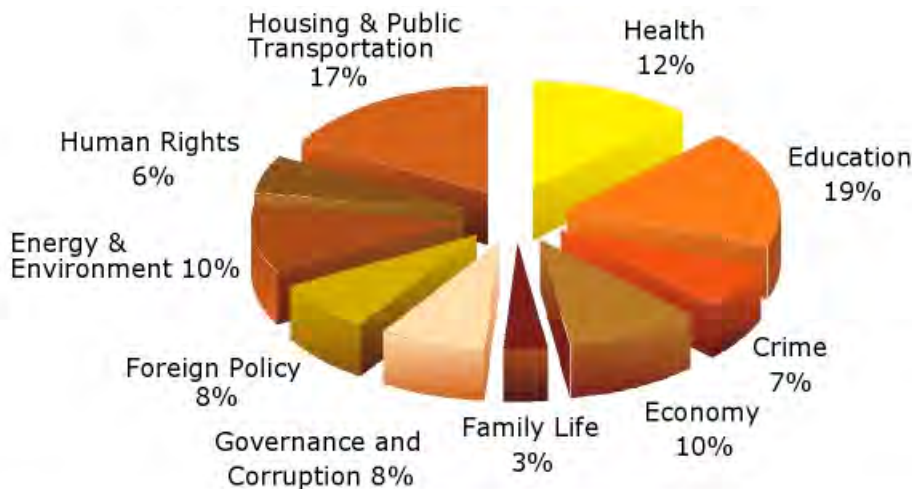


Chart 2: Content Analysis of PNP Manifesto



Supplementary Analysis

In our analysis of the economy we revealed that to achieve full employment the country needs to attract at least one trillion dollars, and such an investment would require a highly skilled labour force which would in turn require further investment of billions dollars – such a huge cost you must agree, but both parties glossed over it. Again in our research we discovered that though unemployment is a big problem, underemployment can be a greater challenge.

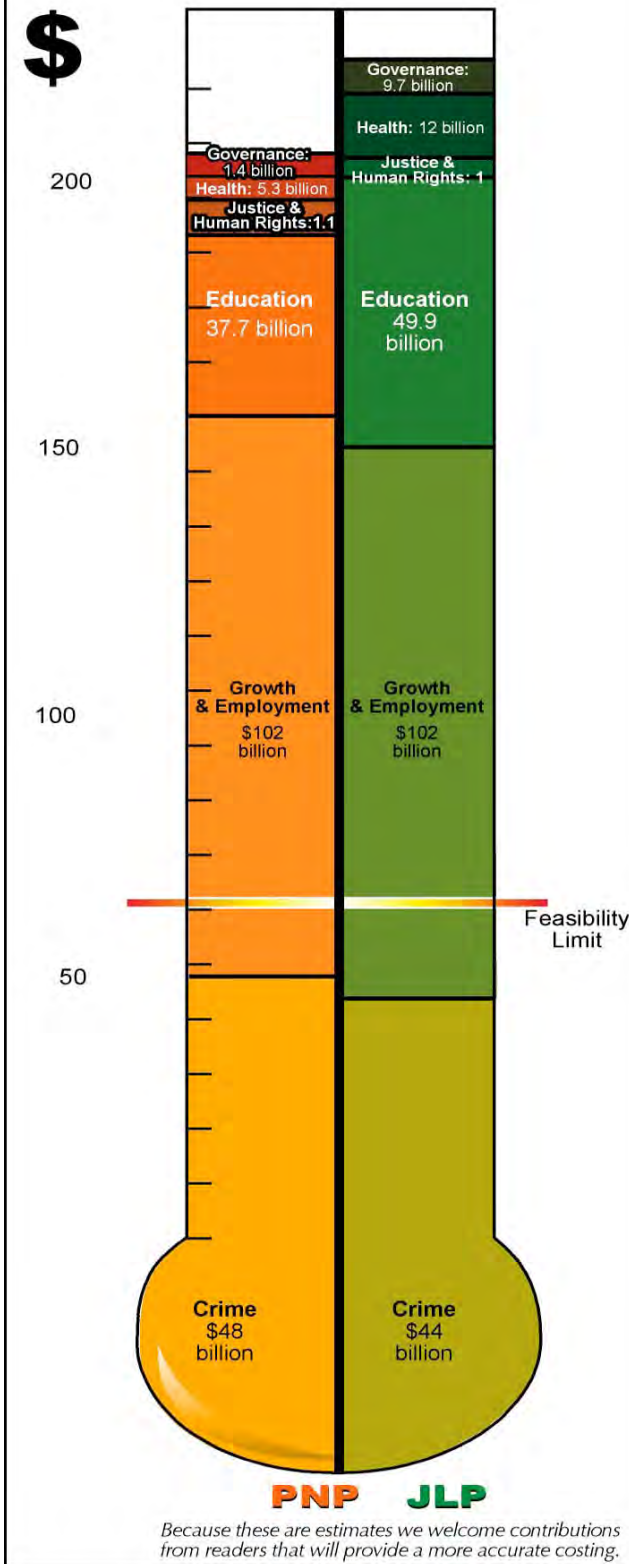
As for education, we will simply say the big argument about free tuition is nothing but a red herring. The next government will face bigger challenges like building additional vocational training institutions if they are really serious about increasing the school leaving age. Improving early childhood education is another desperate need as the majority of teachers at that level are untrained and in all likelihood inexperienced. We also found that both parties gave scant regard to human rights of the socially excluded.

Lastly health service delivery we now know cannot be improved solely with more hospitals or mobile clinics but by addressing human resource constraints – doctors and nurses – as well. The debate over user fees was another red herring as they only account for approximately \$1.6 billion in a 15.7 billion-dollar budget.

By laying these facts out before the citizenry we trusted in the wisdom of the Jamaican voter to make their own personal and informed choice..

Nevertheless, the thing which struck all of us at CaPRI was rather the degree of convergence. In the 2007 election campaign, both parties are broadly calling for continuity. The differences lie in the details of policy, rather than the outlines. Think of it as a common strategy, but different tactics. Most noteworthy are shared positions on labour market and tax reforms, justice reform, constitutional reform, support for small and medium sized enterprises, restructuring of the police

Chart 3: Thermometer of Proposals and Associated Costs



public complaints authority, establishment of a national investigative agency, improvement to primary health care and promotion of quality early childhood education.

Also the old notion that one party favours big government, and the other minimalist government, is belied by the data. Despite the claims and counter-claims the parties fired at one another throughout the campaign, our estimates reveal that both propose to spend roughly the same amounts of money over the next term of government. We have kept a running total in the “thermometer” produced on the next page. While it shows that the parties may differ in policy details, overall, their costing totals line up fairly closely.

The temperature continued rising as we estimated the cost of some of the parties’ pledges, and the mercury burst through the thermometer early in our exercise. This is worrying since CaPRI used a very generous estimate on the rate of economic growth – 3% this coming year, gradually rising by 0.5 %, and peaking at 5% by 2011-2012. This, incidentally, assumed not only that growth would suddenly be more than it has been for over forty years, but that existing programme spending would remain fairly contained. Regardless, the thermometer revealed that both parties’ programmes would exceed future government revenues by large margins. Whatever promises the parties are making to the electorate, fiscal restraint does not figure prominently.

Financing Political Pledges and Promises

What, then, would be the options for Jamaica’s next government, given that it will take office with a reach that outstretches its grasp? Option one would be to deliver an even greater rate of growth

than our optimistic projections, filling its coffers with the tax receipts needed to fund its pledges. However, the record shows that it's far easier to promise high growth than to actually deliver it. Moreover, it is highly unlikely that a high rate of non-inflationary growth would result under a government that exceeds its budget targets by substantial amounts. Such a policy framework would more likely crowd out investment and dampen growth.

Option two would be for government to reallocate spending to fund its promises. There is scope for initial reallocation. A future government might slash existing programmes, thereby freeing up some resources to fund new ones. However, neither manifesto suggested it would consider anything more than incremental reform in this regard.

Option three would be for the government to borrow the money to fund its promises. It might try to justify this by saying that the anticipated future growth yielded by these investments would generate the future revenues needed to pay down the new debt. Jamaica is among the most indebted countries in the world. New debt will make it impossible for the country's already-high interest rates to come down. And that means future investment, and with it future growth, will probably slow rather than increase. There is, in short, not much room left to manoeuvre.

The fourth, and final option, would be to simply break its promises. This might be unconscionable. However, if voters do not query the parties about their promises, it is hard for politicians to resist making them in a cavalier manner. CaPRI is trying to do our bit to minimize this temptation with our manifesto-analysis exercise.

In the end, therefore, given that the parties have produced broadly similar campaign platforms which will probably have to be whittled down once the new government is sworn in, the decision facing voters will probably come down to one of two considerations. Some Jamaicans may find one or two issues so dear to their hearts that it suffices to make up their mind. The rest will want to consider the following: Given the limited options facing the next government, and the continued challenges facing Jamaica, which leader, and which team, has most impressed you with its competence to adapt to these challenges?

Cost Analysis Methodologies

Attaching a monetary value to the proposals of the Jamaica Labour Party (JLP) and the People's National Party (PNP) was one of the primary purposes of the EME. A standard method was not possible so we identified four (4) main methodologies that varied in the degree of rigorousness and objectivity, but were best suited for investigating the nine areas. These are summarized as follows:

Table 3: Costing Methodologies

Methodology	Description	Areas Applied
Type A	This methodology was the most scientific and sophisticated. It includes the use of a Vector Auto-regression Model (VAR) as well as ratio analysis. The VAR was used to estimate the degree of correlation between unemployment and economic growth (Okun's Law), while the ratio analysis was used in the calculation of the number of jobs needed, the cost for training and the amount of capital investments the country should generate in order to create quality jobs for the unemployed and underemployed.	Economic Growth Job Creation
Type B	In general, this is a micro-analysis which involves using the unit costs along with demographic and other relevant statistical information to calculate totals. For instance, to calculate the cost for training every teacher up to the B.Ed. level, we used the annual cost for training teachers at the UWI, the number of teachers who are untrained secondary and tertiary level graduates, trained college graduates (diploma level), for all levels, etc.	Crime Education Justice Human Rights Health
Type C	This required extrapolating information on associated costs from past budget speeches as well as current and past manifestos. Where necessary, an inflation rate of 1.5% was used to update the figures and an exchange rate of \$68 for conversion.	Economic Growth Education
Type D	This method involved attaching conservative values ranging from 10% - 50% of existing budget items in order to estimate the cost for new items in the manifestos that are similar in nature, to those in the existing budget. This was also applied to those programmes/policies that already exist and will be expanded.	Justice Governance Human Rights Corruption Health Education

Selection of Items for Costing

Though it would have been ideal to cost all the items listed in both manifestos, this was not possible due to a number of factors. Among these factors was the lack of sufficient details on some of the programmes. A case in point is the proposal for building a new public hospital which, according to one medical expert, could range in size and Type (e.g. A, B or C), depending on the number of beds, health services and equipment that would be provided.

Another factor was that some items would not incur a cost, some examples are: “transforming the Bank of Jamaica into an independent central bank...” [JLP] and “entrenching Local Government in the constitution setting clear lines of demarcation between Local and Central government” [PNP].

A third factor was the lack of sufficient data or suitable proxies which were needed as a guide in this aspect of the exercise. These and other factors limited the extent to which we were able to do thorough quantitative analysis as shown in the tables below:

Table 4: Number of Proposals Tallied (JLP)

Sectors	No. of Proposals in Manifesto	No. of Proposals Tallied
Economy	37	8
Governance	14	7
Education	28	7
Health	20	5
Human Rights/ Justice	24	5
Crime	14	4

Table 5: Number of Proposals Tallied (PNP)

Sectors	No. of Proposals in Manifesto	No. of Proposals Tallied
Economy	56	9
Governance	7	1
Education	20	6
Health	17	6
Human Rights/ Justice	13	5
Crime	16	4

Manifesto Costing Analysis

From all angles, both the JLP and the PNP could end up spending over \$200 billion on new and extended policies and programmes for health, education, justice, human rights, economic growth & development, crime, governance and corruption. This should be compared to the \$380 billion estimated expenditure for the fiscal year 2007/08 which had a recurrent estimate of \$239 billion and a corresponding capital amount of \$141 billion for that period (*see* <http://www.mof.gov.jm/estimates/2007/docs%5CStatement-IX.pdf>).

To facilitate the analysis, a 5-year “revenue/ loan receipts” projection was done, representing an estimation of the amount of receipts the country could see if the economy were to grow by 3 per cent in the first year, and gradually increase by 0.5 per cent in the next four years. Other methods could have been used such as the “status quo” federal budget projections that were used by the Canadian Centre for Policy Alternatives (see Russell and Block, 2004). We however wanted straight-forward methodologies for ease of analysis.

The findings from the forecasts, despite the use of a very generous growth rate for the five years, proved even more disquieting in light of the fact that the economy can only generate growth in revenue and loan receipts of approximately \$62 billion, over that period. This amount is roughly 1/3 of the estimated additional costs the country is expected to face if either party gains power and is over 1/2 of the estimated capital amount the country is expected to incur for the fiscal period 2007-2008.

<i>Year</i>	<i>GDP Growth rate</i>	<i>New Revenue</i>	<i>Incremental Increase in Revenue</i>
1	0.03	365,896,214,223	10,657,171,288
2	0.035	378,702,581,721	12,806,367,498
3	0.04	393,850,684,990	17,723,280,825
4	0.045	411,573,965,814	20,578,698,291
5	0.05	432,152,664,105	N/A
Total			61,765,517,901

Note: We used the estimated revenue and loan receipts for the fiscal year 2007/08 (\$355,239,042,935), as the starting point. See <http://www.mof.gov.jm/estimates/2007/docs%5CRevenue-Summary.pdf> for more details.

It comes as no surprise that almost half the manifesto financing (\$102 billion) will be geared towards economic growth & development programmes which includes job creation through skills development and training, mega-growth projects and investments in the tourism, construction and the agricultural sectors. For the JLP, the most expensive ventures will be spending on irrigation expansion and restoring the railway station which cost \$36.6 billion and \$34 billion, respectively. The PNP on the other hand, could incur huge expenses for projects such as upgrading Sangster International Airport (\$22 billion), construction of phase 1 of the Soapberry Sewerage Project and rehabilitating and upgrading major water supply facilities in KMA, estimated at \$18.7 billion each.

Both the PNP and the JLP are expected to spend huge sums on crime and education ranging from 18-20 per cent of the total amount. These findings however varied in that while the PNP's second highest expenditure was on crime-fighting (\$48 billion), the JLP's second highest expense was for education (\$49.9 billion). On the flip-side however, both parties seemingly plan to expend relatively small sums on justice and human rights, which had an estimated amount of \$1.1 billion and \$1 billion for the PNP and the JLP, respectively.

Health, governance and corruption allowed for the greatest disparity in spending patterns between the parties. The JLP's proposals on health have an estimated value of \$12 billion, owing mainly to the plans to allow free hospital care (\$8 billion), while for governance and corruption; the party could spend up to \$9.7 billion. The PNP on the other hand has so far proposed programmes which could incur less than a half what the JLP plans to spend. For health, its starting total cost is \$5.3 billion, while for governance and corruption the amount is \$1.4 billion.

Manifesto Costing Analysis Tables:

The Economy

Table 7: JLP's Policies		Estimated Costs	
		1 Year	5 Years
Tax Reform:		3,300,000,000	16,500,000,000
Irrigation Expansion:			
Announced figure was US\$106 million in 2002 or J\$7208000000, inflating by 1.5%		7,316,120,000	36,580,600,000
Small Business Development:		1,000,000,000	5,000,000,000
This was taken from Budget Debate 2006/07 where it was announced that a \$1.0 billion fund for small businesses should be established for small businesses			
Training and Technical support to farmers:			
Using 1999 figures, the number of farmers trained:	28,317		
Number of sessions consisting 20 farmers	1,416		
Average unit cost per room	20,000		
Unit cost of trainer	30,000		
<i>Total Cost for Training</i>		42,495,500	212,477,500
Training Fishers			
Using unit cost of US\$400 per trainer	30,000		
Unit cost for room per day	20,000		
Total number of fishers in 2006	16,585		
Assuming 20 fishers per session, total number of sessions	829		
<i>If we assume a session a day, the total cost is:</i>		41,450,000	207,250,000
Restoring the Railway Service:			
Announced by Mike Henry on June 19, 2007		34,000,000,000	34,000,000,000
Improving the capabilities for pest and disease control:			
Grants and contributions to the Pesticides Control Authority in 2005/06 (Estimates of Expenditure)	7,000,000		
Inflated estimate	7,070,000		
<i>Using 25% of this amount to represent improvement</i>		1,767,500	8,837,500
Establishing a sophisticated craft training centre:			
Annual cost to run 11 institutions in the HEART Programme in 2005, according to the ILO	3,516,886,146		
Unit cost for this operation	319,716,922		
<i>Inflated unit cost</i>		335,702,768	1,678,513,842
Grand Total		46,037,535,768	94,187,678,842

The Economy Cont'd

Table 8: PNP's Policies	Estimated Costs	
	1 Year	5 Years
Revolving Loan Funds for Apiculture Apprenticeship Programme	20,000,000	100,000,000
PNP Manifesto (pp. 46)	250,000,000	1,250,000,000
Budget Debates 2007/08		
Investments in Agriculture and agro-processing	2,000,000,000	10,000,000,000
This was announced during the Budget Debates (07/08) and is expected to take place through loans from EX-IM bank totalling \$1 billion and an additional \$1 billion from the DBJ		
Loans to Tourism Sector		
Announced during the Budget Debates (07/08)		
An expected \$2.5 billion in loans will come from DBJ, through PetroCaribe relations.	2,500,000,000	2,500,000,000
Construction of the Port Antonio Water, Sewerage and Drainage Project	2,720,000,000	13,600,000,000
PNP manifesto (pp. 36)		
Rehabilitating and upgrading major water supply facilities in the KMA	3,740,000,000	18,700,000,000
PNP manifesto pp. 50		
Upgrading Sangster International Airport	4,420,000,000	22,100,000,000
PNP manifesto pp. 49		
Acquiring and upgrading housing properties	125,130,000	625,650,000
PNP manifesto pp. 51		
Construction Phase 1 of Soapberry Sewerage Project	3,740,000,000	18,700,000,000
PNP manifesto pp. 50		
Inner City Basic Services Project	1,700,000,000	8,500,000,000
PNP manifesto pp. 40		
Total	21,215,130,000	96,075,650,000

Crime

Table 9: Crime	Annual Costs	5-Year Costs	
		JLP (3500)	PNP (4000)
Training and Recruiting of officers			
Annual Cost for 2006	3,200,000		
Average number of officers trained annually	300		
Unit cost for training officers	10,667		
Total Annual cost to train 3500	37,333,333		
Total Annual cost to train 4000	42,666,667		
Total cost to train over 5 years		37,333,333	42,666,667
Construction and maintenance of Police Stations:			
Annual Cost for 2006	409,950,000		
Cost over 5 years		2,049,750,000	2,049,750,000
Salaries for entry-level officers:			
Using Average salary	51000		
Annual Salary		2,142,000,000	2,448,000,000
Salary over 5 years		10,710,000,000	12,240,000,000
i/ Equipping Police Force			
Using a rate of increase of 0.20, the total cost for equipping over 5 years	6,000,000,000	29,000,000,000	29,000,000,000
Total Cost		43,939,083,333	45,780,416,667

i/ This figure was announced by Derrick Smith at G2K meeting on Feb.1 2007.

Education

Table 10: JLP'S Education Proposals		Annual Cost	5 Years
Commence primary school enrolment at age 5 instead of 6			
Current # of primary students	291,110		
Revised estimated cost for primary education (2006)	14,707,376,000		
Unit cost	50,522		
Population of children b/w 0-4	219,400		
Equal distribution of age means the number of 4 year olds/the total number of 5 years for the next school year	43,880		
Enrolment cost		2,216,892,786	11,084,463,929
Ensuring at least 1 trained teacher in each basic school			
Total # of teachers in basic schools	5,500		
Total # of basic schools	2,000		
Assuming 90% are untrained (similar to Ralph's estimate for 2002)	4,950		
Annual cost to train teachers at Teacher Training Colleges	159,000		
Government pays 80%	127,200		
The total amount covered over 3 years	381,600		
<i>Total cost for training 4950</i>		1,888,920,000	1,888,920,000
Providing training in management practices			
Currently, the estimated amount allotted to improvement of management systems in schools		163,000,000	163,000,000
Abolish tuition fees for secondary level		1,000,000,000	5,000,000,000
Accelerating programme of upgrading to B.Ed. Level			
Teachers at Primary Level			
Untrained university graduates	167		
Trained College Graduates	7,141		
Untrained Tertiary Level Graduates	140		
Untrained Secondary School Graduates	714		
<i>Total</i>	8,162		
Teachers at the Secondary Level			
Untrained university graduates	996		
Trained College Graduates	5,915		
Untrained Tertiary Level Graduates	654		
Untrained Secondary School Graduates	646		
<i>Total</i>	8,211		
Grand total of teachers who need training to the B.Ed. Level	16,373		
Cost of training teachers at UWI/B.Ed.	240,000		
Government subsidy	192,000		
Cost of upgrading over 4 years	12,574,464,000		
To accelerate this process, assume incurring 25% of the cost		3,143,616,000	3,143,616,000
Extending School-leaving age			
Using the total number of persons sitting CXC math in 2006 as the # of persons in high schools that are 16 yr. Olds	39,038		
Assuming 50% attend high schools with 6th forms/need places to continue schooling up to age 18	19,519		
Secondary Level budget in 2006 (Recurrent cost)	12,942,005,000		
Secondary school population	247,200		
Unit cost	52,354		
Total Cost for extending school-leaving age		1,021,905,322	6,131,431,932
Increasing Budgetary Allocation by 1% per annum (up to 15%)			
Projected revenue in 2008	365,896,214,223		
Initial increase in education allocation		3,658,962,142	
Projected revenue in 2012	432,152,664,105		
Projected increase in education allocation in 2012			21,607,633,205
Grand Total		13,093,296,250	49,019,065,066

Education Cont'd

Table 11: PNP's Education Proposals		Annual Cost	5 Years
Build new university in Western Jamaica to provide training in nursing and teacher education			
Land and Structures from the budget estimates 2007/08	2,975,687,000		
Training cost for teacher education and training/using Dist. Edu. Budget estimates for 2007/08	63,740,000		
Training cost for as reported for health affairs and services	159,582,000		
Total cost		3,199,009,000	15,995,045,000
Expand the NYS to train and equip men and women for the workforce			
Total men and women to be trained (annually)	20,000		
Annual cost for Youth Development Services/NYS (Educational Digest 2006/07)	596,355,000		
Average # of participants trained b/w 2002 and 2007	4,000		
Unit cost	149,089		
Total cost		2,981,775,000	14,908,875,000
Increase the number of HEART/NTA Academies to facilitate access to quality training opportunities			
Estimated annual cost for operating HEART training programmes - using estimates from ILO in 2005	319,716,922		
Assuming annual increase in academies of 2		639,433,844	
At this annual rate, the total # of academies at the end of 5 years will cost			3,197,169,220
Continue to subsidize exam fees for CXC/CSEC			
Cost per subject	1,190		
Current average number of persons benefiting	10,000		
Number of subjects covered by the government	4		
Total cost		47,600,000	238,000,000
Strengthening the administrative and managerial capacity of schools			
Currently, the estimated amount allotted to improvement of management systems in schools	163,000,000		
A conservative increase of 25% for strengthening		40,750,000	203,750,000
Ensure graduates from teacher Edu. Inst. Graduate with B.A. Teacher Education by 2015			
Teachers at Primary Level			
Untrained university graduates	167		
Trained College Graduates	7,141		
Untrained Tertiary Level Graduates	140		
Untrained Secondary School Graduates	714		
Total	8,162		
Teachers at the Secondary Level			
Untrained university graduates	996		
Trained College Graduates	5,915		
Untrained Tertiary Level Graduates	654		
Untrained Secondary School Graduates	646		
Total	8,211		
Grand total of teachers who need training to the B.Ed.Level			
	16,373		
Cost of training teachers at UWI/B.Ed.	240,000		
Government subsidy	192,000		
Cost of upgrading over 4 years	12,574,464,000		
To accelerate this process, assume incurring 25% of the cost		3,143,616,000	3,143,616,000
Grand Total		3,143,616,000	37,686,455,220

Human Rights and Justice

Table 12: JLP's Proposals on Justice & Human Rights			
		Year 1	Year 5
i/ Rehabilitation and modernisation of court houses			
Amount spent to effect repairs on almost all courthouses in 2003/04	17,500,000		
Inflating by 1.5%	17,762,500		
Using a conservative estimate of 20% for each year		17,762,500	88,812,500
Increasing the number of Resident Magistrates, Prosecutors and Court Staff			
Estimates of Expenditure for Legal Education 2007/08 -Professional Law School	187,735,000		
Using conservative estimate of 50% as the additional cost		93,867,500	469,337,500
Increase the number of shelters for victims of domestic violence			
Estimates of Expenditure on Victim Support 2007/08	62,186,000		
Conservative estimate of 20% of existing expenditure		12,437,200	62,186,000
ii/ Launch Public Education Programme on jury service and its relevance in the Justice System			
Using the Legal Aid Council as a proxy:			
Compensation of employees	864,000		
Travel Expenses and Subsistence	800,000		
Public Utility Services	500,000		
Purchases of Other Goods and Services	49,823,000		
Purchases of Equipment (Capital Goods)	162,000		
Estimates of Expenditure for 2007/08		52,149,000	260,745,000
Increase the number of judges of the Appeal Court from 7-11			
Analysis of Expenditure for the Court of Appeal indicates:			
Compensation of employees	52,400,000		
Travel Expenses and Subsistence	7,244,000		
Rental of Property and Equipment	200,000		
Purchases of Other Goods and Services	1,877,000		
Purchases of Equipment	400,000		
Public Utility Services	3,200,000		
Total Estimate of Expenditure 07/08	65,321,000		
Increasing the number of judges from 7 to 11 means an increase of 4/7 of the existing estimate		37,326,286	186,631,429
Total		213,542,486	1,067,712,429

i/ Source: Annual Court Report http://www.moj.gov.jm/pdf/2003_2004_court_report.pdf

ii/ The Citizen Security and Justice Project could also be used. It was estimated to cost \$38,732,000 for 07/08. This project facilitates consultancy services and the purchase of equipment. See Estimates of Expenditure, pp.2800B-2

Human Rights and Justice Cont'd

Table 13: PNP's Proposals on Justice & Human Rights			
		Year 1	Year 5
Ongoing Training for the judiciary			
Estimates of Expenditure for the Justice Training Institute 2007/08	33,081,000		
Using Conservative Estimate of 50%		16,540,500	82,702,500
Introduce Mandatory Continuing Legal Education and Ethical Training for Attorneys-at-law			
Estimates of Expenditure for Legal Education 2007/08 -Professional Law School	187,735,000		
Using conservative estimate of 50% as the additional cost		93,867,500	469,337,500
Expansion of Victims Support Unit			
Estimates of Expenditure on Victim Support 2007/08	62,186,000		
Conservative estimate of 10% of existing expenditure		6,218,600	31,093,000
i/ Create the Jamaica Legal Information Institute			
Using the Citizen Security and Justice Project as a Proxy:			
Compensation of Employees	7,582,000		
Purchases of Other Goods and Services	14,812,000		
Purchases of Equipment (Capital Goods)	16,338,000		
Estimates of Expenditure for 2007/08		38,732,000	193,660,000
Expand legal aid services and peace and justice centres			
Estimates of Expenditure for legal services for 2007/08	146,090,000		
Conservate estimate of 50% for this expansion		73,045,000	365,225,000
Total		228,403,600	1,142,018,000

i/ This project facilitates consultancy services and the purchase of equipment. See Estimates of Expenditure, pp.2800B-2

Health

Table 14: JLP's Proposals on Health			
		Year 1	Year 5
Intensive Public Health Management			
<i>Improve public health and waste management systems</i>			
i/ Using the Disease Prevention and Control Programme as a proxy:			
Estimates of expenditure for 2007/08	38,789,000		
Conservative estimate of 25% of estimates of expenditure		9,697,250	48,486,250
<i>Intensify public education programmes on sexually transmitted illnesses</i>			
ii/Using the Surveillance, Prevention and Control of Diseases Project as a proxy:			
The estimated cost which is to be covered by the government 07/08	139,968,000		
Intensifying the project requires a conservative increase of 25%	34,992,000		
Since the project will last for 2 more years the costs are		34,992,000	69,984,000
<i>Upgrade Health Centres</i>			
iii/Using Health Facilities and Improvement Programme as a proxy:			
Estimates of expenditure for 2007/08	50,000,000		
This is expected to be an ongoing programme and so has a continuous cost of the same magnitude		50,000,000	250,000,000
Free Public Hospital Care			
iv/Provide Training for Nurses and Special Nurses			
The total number of nursing personnel that the MOH plans to train	2,411		
v/Based on existing training facilities, the estimated cost to train 1000 nurses annually	1,500,000,000		
Cost for training the total needed		3,616,500,000	3,616,500,000
Total		5,311,189,250	11,984,970,250

i/ This proxy is a project which was developed to initiate and maintain disease prevention and control measures such as surveillance of water supplies, the food trade and sewage disposal systems.

ii/ This proxy is the AIDS/STD project which aims to control HIV/STD infection and reduce transmission if Jamaica and improve the general health status of the Jamaican people. The 2 funding agencies are the GOJ & USAID. The project started in Sept. 2001 and has been extended until Sept 2009. Estimates of Expenditure, pp. 4200B-5

iii/ This is an ongoing project for maintaining and upgrading the buildings and equipment of health care institutions. Estimates of Expenditure, pp. 4200A-7.

iv/ The planned objective of the MOH is to train the additional 2411 nursing personnel by 2008. This includes 771 registered nurses, 157 enrolled assistant nurses and 1558 registered midwives.

v/ This cost includes training of tutors and audio visual aids. It also includes infrastructure, equipment, utility services, insurance, toilet articles, security etc. pp.21-22. This figure will change with the kind of training programmes that the MOH uses. This estimate says that 1000 nurses are trained on a phased basis over 3 years with 500 trained at a cost of \$373.7 million, then the following year 250 would be added and the 750 would cost \$645.9 million and in the third year 250 would be added and the cost for the this addition would be \$448.4 million. The overall cost would be \$1467.9 million/1.5 billion.

Health Cont'd

Table 15: PNP's Proposal on Health			
		Year 1	Year 5
Provide Training for Nurses and Special Nurses			
The total number of nursing personnel that the MOH plans to train	2,411		
Based on existing training facilities, the estimated cost to train 1000 nurses annually	1,500,000,000		
Cost for training the total needed		3,616,500,000	3,616,500,000
<i>Improve public health and waste management systems</i>			
Using the Disease Prevention and Control Programme as a proxy:			
Estimates of expenditure for 2007/08	38,789,000		
Conservative estimate of 25% of estimates of expenditure		9,697,250	48,486,250
<i>Intensify public education programmes on sexually transmitted illnesses</i>			
Using the Surveillance, Prevention and Control of Diseases Project as a proxy:			
The estimated cost which is to be covered by the government 07/08	139,968,000		
Intensifying the project requires a conservative increase of 25%	34,992,000		
Since the project will last for 2 more years the costs are		34,992,000	69,984,000
i/ Specialist Children's Hospital			
The estimated cost for building a new Health Centre in Highgate	80,000,000		
Using a conservative estimate of 6 times this cost		480,000,000	480,000,000
New Hospital for Portmore			
The estimated cost for building a new Health Centre in Highgate	80,000,000		
Using a conservative estimate of 10 times this cost		800,000,000	800,000,000
<i>Upgrade Health Centres</i>			
ii/Using Health Facilities and Improvement Programme as a proxy:			
Estimates of expenditure for 2007/08	50,000,000		
This is expected to be an ongoing programme and so has a continuous cost of the same magnitude		50,000,000	250,000,000
Total		4,991,189,250	5,264,970,250

i/ Amount announced in the sectoral budget presentation (05/06) pp.33

ii/ This is an ongoing project for maintaining and upgrading the buildings and equipment of health care institutions. Estimates of Expenditure, pp. 4200A-7.

Governance and Corruption

Table 16: JLP's Proposals	Estimated Costs		
	1 Year	5 Years	
Citizens' Protection Bureau Using the annual budget for the Legal Aid Council in Kingston and Mobay		59,925,000	299,625,000
Greater Representation for Civil Society Each senator is paid (annually)	1,500,000		
For greater representation, we assume an increase in the # by 2:		3,000,000	15,000,000
Strengthening the Corruption Prevention Commission The annual (2007/08) budget for the Commission for the Prevention of Corruption	37,719,000		
Conservative estimate for strengthening requires 50% of this amount		18,859,500	94,297,500
Strengthening the Parliamentary Integrity Commission The annual (2007/08) budget for the Integrity Commission	8,466,000		
Conservative estimate for strengthening requires 50% of this amount		4,233,000	21,165,000
Independent investigation of abuse by security forces Using annual budget for the Investigation of Complaints from the public & protection of citizens rights		48,498,000	242,490,000
Special Coroner The annual (2007/08) budget for the Integrity Commission	8,466,000		
A conservative estimate for this coroner is 50% of this amount		4,233,000	21,165,000
Constituency Fund			9,000,000,000
Total		138,748,500	9,693,742,500

Table 17: PNP's Proposals	Estimated Costs		
	1 Year	5 Years	
Community Development Agency The Jamaica Social Investment Fund runs a National Community Development Project (NCDP) which is financed by a loan from the World Bank (US\$15 million) Source: http://www.jsif.org/agm_report/2006/annual_report.asp There was an additional funding of US\$5 million from OPEC	1,020,000,000		
Overall cost for project	340,000,000	1,360,000,000	1,360,000,000
Total Cost		1,360,000,000	1,360,000,000



Taking Responsibility

**CAPRI/GLEANER
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TITLE OF ARTICLE:
CRIME

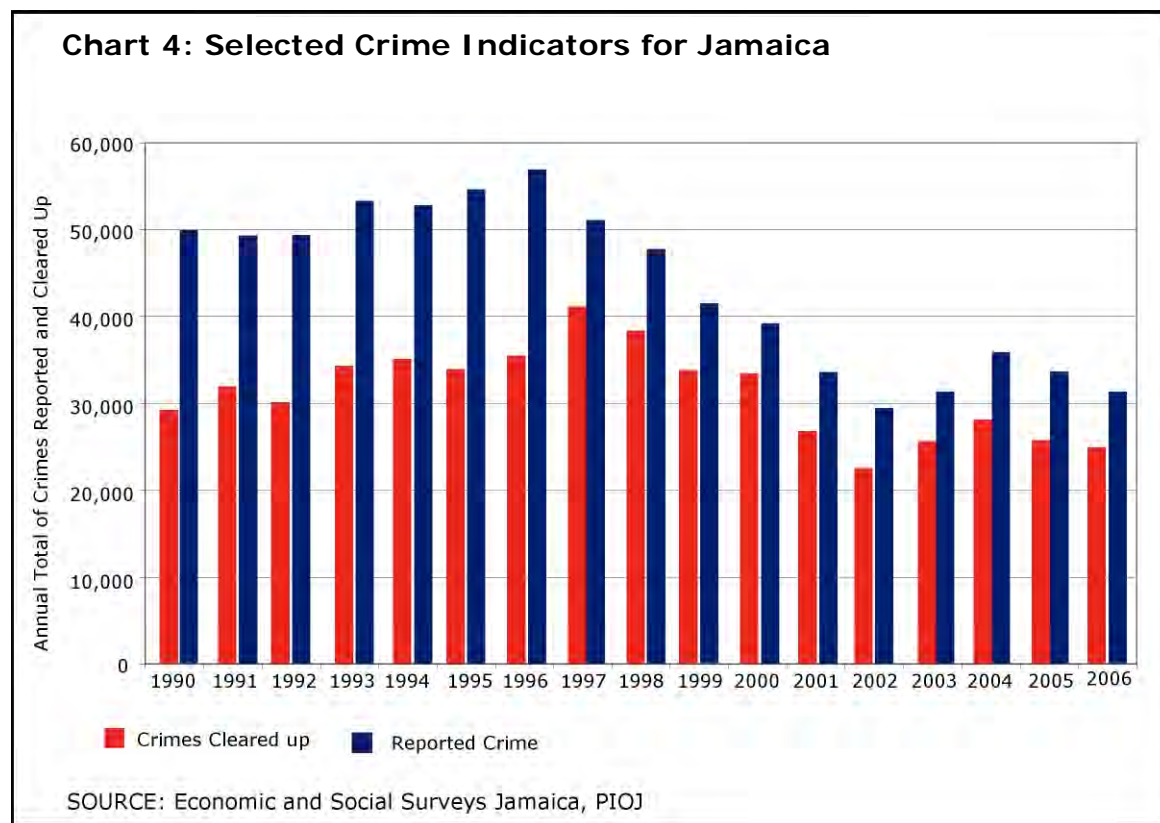
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CaPRI/Gleaner Article: Crime

Jamaica does not have a major crime problem. This, some might say ridiculous, statement is actually true. Then again, it obviously is not. While our rates of burglary, fraud, or public mischief are not particularly alarming, where Jamaica continues, and embarrassingly so, to set world-record rates is in murder and violent crimes.

According to Economic and Social Statistics in 2006 the primary motives for murders were: gang related at 32.5%, domestic violence at only 4.5% and drug-related at 2%. Forty-nine per cent of murders were attributed to other criminal acts, while 12.0 % was undetermined. In recognition of the urgency with which this matter needed to be addressed, both political parties were spurred into action to investigate the root cause of the problem.



Indeed, a few un-researched and ultimately unconvincing theories have been bandied about to explain the phenomenon: firstly, it has been blamed on an inherently violent culture stemming from a brutal history. Yet, we did not have this problem even fifty years ago. The escalating murder rate is a fact of recent history, and therefore not primarily attributable to an act 400 years ago. Secondly, the rise in violence has been blamed on our endemic poverty, but this again is a problematic theory. Poverty does lead to the rise in certain kinds of crime such as burglary, but not murder. Such a theory would also not account for the comparative case in Trinidad where both wealth and violent crimes are rising in tandem. Lastly, Jamaica's crime problem has been attributed to a decline in family values and absentee parents – but this is usually a determinant for juvenile delinquency, not professional adult crime.

At CaPRI we are much more convinced by the research that identifies Organized Crime as the chief driver in our rising murder rate. The manifesto and policies that understand this and suggest strategies to deal specifically with this issue should prove an effective one.

The PNP Strategy

The PNP's manifesto does identify Organized Crime as a major problem. They propose that the way forward is premised on staying the course – a continuation of their policies that aim to:

- Continue the dismantling of organized crime networks, freeing vulnerable communities from the rule of the “Don”.
- Intensify the Reform Programme in the JCF to provide better training with an emphasis on human rights, better equipment and technology, improved pay and working conditions, and an effective anti-corruption effort.
- Address the social conditions within communities that are particularly violence-prone and from which many of our young people are recruited into the criminal underworld.
- Transform attitudes to promote security awareness and ensure each citizen embraces the concept that safety and security are everybody's business.
- Strengthen local and international multi-agency security efforts.

In more practical terms, the PNP is committed to a number of specific actions all intent on improving the police force. These include: adding 4,000 police officers to the force; upgrading the Police Academy to full university status; providing more specialist training modules for investigations, intelligence, and firearms; expanding the Graduate Entry Programme for the JCF and implementing national work standards for the Police Force; launching a wholesale assault on corruption within the Police Force; completing construction of a new public morgue and equipping the forensic laboratory with the most up-to-date analytical capabilities.

Perhaps what is most significant here is that while the PNP says that tackling Organized Crime and dismantling the rule of the Don is a priority, they have proposed no concrete measure to do this. Also, while the ruling party can be broadly trusted to deliver on their promises as they have generally done with their 2002 manifesto – if such promises only address the continued improvement and modernization of the police force, these are unlikely – by themselves – to seriously impact the murder rate.

The JLP Strategy

On a first glance, there are two matters that the JLP's manifesto is worryingly silent about. The Deportee issue does not figure in their manifesto, whereas the PNP has at least declared a commitment to implement, in collaboration with Departing Countries, a programme for the management, re-socializing and monitoring of these individuals.

Of even more concern however is the fact that the JLP makes no specific mention of addressing the element of organized crime. Still, in a strange converse to the ruling party's manifesto, while the Labour Party does not make specific mention of this or the increasing institutionalization of the Don-System and the need to dismantle it, it is their proposals and strategies that come closer to dealing with the problem head-on.

Where the PNP continues to suggest that the scourge of crime and violence is best remedied by addressing social conditions such as poverty and eroding family values in violence prone areas, the JLP makes a more dramatic proposition. They argue for a complete transformation of political garrisons by amending Section 40(2) (g) to include the provision that any person convicted from such enactment cannot hold office. The JLP then is willing to tackle the nexus of Organized Crime and Politics in a way that the PNP has not yet been sufficiently proactive.

The JLP agrees with the PNP on a number of things. Both parties address the Police force as a critical component. They both want to see the strengthening of the force to 12,000 members. They both want to build community support for law enforcement, to improve forensic capability and to upgrade the Police Academy. The JLP seems equally committed to tackling corruption in the police force, forming a National Investigative Agency and restructuring the Police Public Complaints Authority.

The JLP manifesto is more specific however in suggesting a number of new measures that will result in more available police resources. New measures in this regard include the expanding of the mobile reserve; establishing a cadre of Police Auxiliaries to undertake clerical, administrative and light-security duties at stations; establishing a Traffic Corps made up of civilians, and establishing a Reserve drawn from civilians. The JLP also promises to support crime-fighting efforts by building residential complexes at strategic locations for police personnel to ensure that they are within commutable distance of their station assignment.

Finally, a community based approach to addressing crime in inner city communities figures prominently in both manifestos. The PNP has restated its commitment to community intervention programmes such as the Citizens and Justice Programme, the Community Security Initiative, the Safe School Programme and the Peace Management Initiative. A new proposal for Community Safety Officers – volunteers who would act as a bridge between the police and the local communities – has also been made. This last measure seems to be a revision of the District Constable position currently in place. The JLP Manifesto identifies a similar initiative; the Police Cadet Corps – a group which would enlist young potential community leaders to strengthen an alliance between the police and the community. Similar efforts include re-energizing the Neighbourhood Watch and Police Youth Club Programmes.

Is there a solution?

Given the severity of the problem we, like all concerned Jamaicans, are eager to find solutions that actually work and we are unwilling to accept the defeatist notion that murders and shootings are here to stay as an unmovable part of the landscape. Both parties have tried to present us with a degree of hope – new policies and measures for consideration in the fight against crime. What then becomes a critical question for us is the likely outcome or impact of these proposed measures.

In both manifestos we see a great, sometimes it would seem an almost complete, reliance on the police to prevent and control crime. Our own research would lead us to agree that a significantly transformed force would indeed be an effective tool in the fight against crime. Unfortunately the manifestos only propose the beginnings of such a transformation and not the complete overhaul that would be necessary to effect real change and impact the high rate of violent crimes.

For the benefit of both parties and the Jamaican public will now identify the four critical areas of transformation needed in the force. These are:

- 1) Police Density – In 2001, the density of the police force was 1:355 persons, the lowest in the English-speaking Caribbean at the time
- 2) The application of technology to policing – Significant movements have been made in this department over the last three years. The new technologies acquired included Automated Palm and Fingerprint Identification System, Integrated Ballistic Identification System, Automated Border Management & Information System.
- 3) Style of policing - The suggestion is for the JCF (Jamaica Constabulary Force) to be transformed into a more civil, general purpose, national police service. This is consistent with the *Corporate Strategy* of the JCF, which speaks of making **community policing** its central thrust. This new-look police service could retain a paramilitary unit including tactical units – which would have special responsibility for dealing with particularly violent situations and groups characteristic of the Jamaican situation.
- 4) Good leadership/accountability – The expected changes would include improved service accessibility and quality, and greater and more direct accountability to the people. Organizational reconfiguration – towards more local decision-making – would facilitate the changes in relations with the people and the internal power shifts that are key to ensuring improved internal security and public safety.

Transformational leadership speaks to the leadership model change seen as necessary in the JCF. Transformational leadership hinges on vision – developing a vision; selling a vision; finding a way forward; and leading the charge.

Unfortunately, while all four are critical areas, only one has been traditionally addressed. The admittedly clearly expressed goals with regard to police modernization in the manifestos have been largely confined to efforts at technological modernization. This, we believe, is an extremely limiting form of transformation and it is no surprise that results have been similarly limiting. We further believe that they will continue to be so – as unlikely to ‘fly’ as a caterpillar that has stayed in its cocoon for too short a period.

Staying the Course

The PNP manifesto presently asks us to stay the course. They have ground to stand on in asking us to do this; there has been a much talked about reduction in crime in the present year so far and the ruling party can claim this as the beginning dividends being paid off on their policies over the

past five years. As noted in yesterday's article, the PNP was not at all lacking in political will in the implementation of policies from their 2002 manifesto, and should be commended on delivering on their promises. At CaPRI we are however a little more cautious with the preliminary results of this year; as Shakespeare might famously warn – “the ides of March have come, but have not yet gone.” The reduction in murder so far is also not a particularly dramatic one, and so while the rate might have dropped the country itself has not fallen from being one of the top five most violent nations in the world. With only a partially transformed force we believe that some results might well accrue, but we are fearful that they will always be lukewarm.

If the PNP were to form the next government, CaPRI would strongly encourage the party to add to their vision in the manifesto and undertake an even more transformative programme for the police force: police density is currently far too low; a change in the style of policing is long, long overdue – one which would allow citizens to be respectful of the police and the police to treat citizens in a likewise respectful manner. We suggest that this transformation in particular is one that requires more than simply ‘training’ to accomplish, but a much deeper and fundamental change in the police force. Finally, a transformation in leadership is necessary – a willingness to change a culture whose roots are in an older, more authoritarian, more autocratic, less service-oriented time. While this has been recently sought from the UK, the impact on the force in general (on its methods of work for example) has been limited. This is perhaps a failure of strategy and of administration.

The Garrison Problem

The JLP's manifesto does suggest a broader understanding of the crime problem and so while they largely agree with the PNP about the kinds of changes needed in the police force, they have also suggested other solutions that go beyond a mere reliance on the force. Significantly in this regard, the very difficult issue of the crime-politics nexus and garrison politics is confronted – through the disqualification of those with criminal records involving gun-related or violent crime from the NCC and enacting the relevant provisions of the Code of Political Conduct into law among others. By generating violence and disorder, and corrupting the state institutions, both present the society with difficult internal security problems. This, we believe, is a major step in the right direction as confronting this begins to tackle the increasingly strong institution of Organized Crime which, as we outlined yesterday, is almost certainly the biggest factor in the rise of murder and violent crime in Jamaica.

It should also be noted that both parties continue to propose social crime prevention programmes. These take time to show results. Socio-economic interventions like Citizens Security and Justice Programmes are also sound. A similar criticism can be levied at attempts by both to use community police officers; community based policing is likely to work but method suggested which is to recruit individuals and train them is likely to render the programme ineffective. Emphasis is placed on training- training is not the critical success factor for such a measure.

We need to keep up with the technological trends in criminal and other investigation. We need good leadership & accountability in the police force. We need a new style of policing – one in which ordinary citizens are treated with respect.

Conclusion

Violent Crime is indeed a major problem in Jamaica, but, as with many other national problems, the political machinery has felt it is simply sufficient to implement a variety of programmes that, at least ostensibly, address the issue, rather than the specifics. At CaPRI, we reiterate that programmes not informed by or developed out of careful analysis and research, programmes not supported by trial runs and pilot projects – will never be truly effective and will continue to only waste money.



TITLE OF ARTICLE:
JOB CREATION

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CONTRIBUTORS:
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CaPRI/Gleaner Article: Job Creation

Local statistical reports have highlighted employment creation as an important achievement, especially as it has supposedly taken place against the backdrop of low economic growth (1.4 per cent in 2006), a chronic current account (amounting to US\$925 million for 2006) and a huge public debt load (debt to GDP ratio of 131.5 percent in 2006). Others however, remain skeptical and still identify unemployment as the most pressing socio-economic problem plaguing the country. It is to these individuals that Portia Simpson-Miller and Bruce Golding owe an explanation and a *comprehensive employment creation plan* that will propel us to greater levels of economic prosperity. Today we present some facts on conditions in the local and international job market, whilst questioning the manifestos of both political parties to find answers.

At the outset, we are pleased that there seems to be a clear understanding by the major political parties that a significant portion of Jamaica's labour force¹ continuously fails to meaningfully contribute to growth and development. In fact, during his 2006/07 budget presentation, Omar Davis alluded to the reality that "...progress on construction projects will be constrained by the unavailability of adequate numbers of skilled workmen even whilst there remain significant numbers of unemployed or under employed."² In other words, here was a situation where jobs were available, but there were few people in the great swell of Jamaica's unemployed population who had the necessary skills to fill them. Another serious matter of concern is the disturbing demographic that shows the younger generation accounting for the largest share of unemployed individuals. Almost 60% of the unemployed are between the ages of 14-24. Still another concern is an ever-evolving labour market that will continue to displace low-skilled workers employed in the agricultural sector (almost 1/5 of the employed population!). The question then for the next government of Jamaica is 1) how to train our young people for the jobs needed in today's labour market, and 2) how to re-train those workers who will soon be displaced from their livelihood.

¹ The Labour force is defined as the total number of employed and unemployed people in the economy (Reference: Frank, Robert and Ben Bernanke (2001), *Principles of Economics*, New York: McGraw-Hill/Irwin.

² Budget Presentation 2006/07 pp.8.

The answer to job creation in Jamaica has to be based on a number of factors some of which were identified by the Planning Institute of Jamaica in 2000³. For the sake of space however, we will look on three main factors: global trends, domestic trends and educational attainment.

- **Global Trends**

That the local and global job markets have evolved considerably over the years is obvious to us all. The new global economy has generally dictated a new pace to business, and all kinds of new needs.

“...the global market calls for employment creation predominantly for highly skilled individuals, especially in the fields of Information Technology, Investment and Financial Services, Engineering and General Management.”

An important development has been the introduction of E-commerce - “...a global electronic market where

transactions occur twenty four hours a day...”⁴ Telecommunications is another area which has restructured the needs of the labour market and is an ideal industry for Jamaica because of our proximity to North America which draws on our advantages of language (we speak English) and low labour cost. It is estimated that investment in this area could see the creation of over 40,000 jobs in the near future.⁵

The financial/investment sector in particular will likely see great changes in its services and delivery due to these changes in technology. Research shows that the medium-term will see a reduction in equity financing as opposed to debt financing, a shift away from loan-based financing to other off balance sheet activities and a growth in customer base through improved services such as Internet banking and tele-banking⁶.

In sum, the global market calls for employment creation predominantly for highly skilled individuals in the fields of Information Technology, Investment and Financial Services, Engineering and General Management.

- **Domestic Trends**

The domestic economy consists of a few sub-sectors which have contributed significantly to the Gross Domestic Product of the economy and have also employed a large section of the labour force. Most notable are the sub-sectors of the services industry which contributes an average of 68 per cent to GDP annually and employed over 728,000 persons in 2006. This is to be compared with Goods Production sector which only employed 394,000 workers for the same period. These findings give added impetus to the proposal that there needs to be more jobs in the services sectors or greater facilitation of micro business ventures for individuals who wish to operate within these areas. Further endorsement to this proposal is provided by the fact that Jamaica faces a high rate of displacement of jobs in certain industries and as reported, between

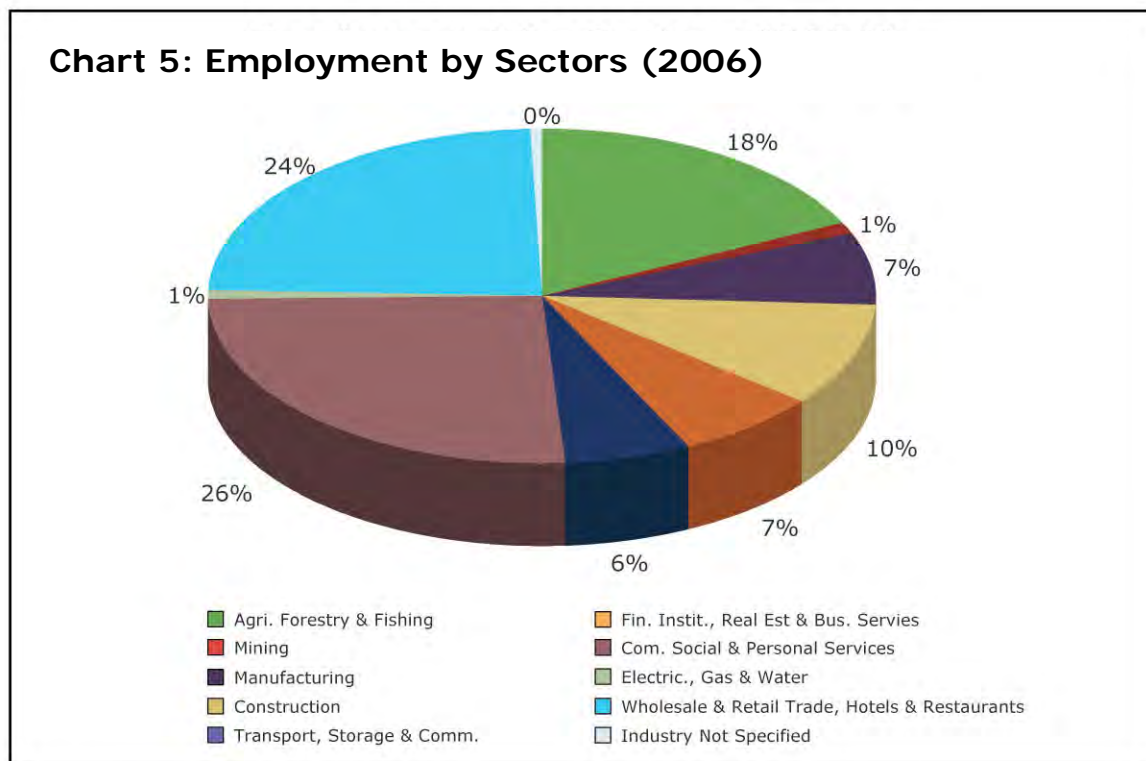
³ *Ibid*

⁴ *Labour Perspectives* (January – March 2006). A Quarterly Newsletter of the Manpower Research and Statistical Unit, Ministry of Labour and Social Security (Barbados).

⁵ PIOJ, *The Labour Market Information Newsletter of Jamaica* (May 2000). Issue No. 35.

⁶ *Ibid*.

1991 and 1998 “...there appears to have been a redistribution of different occupational groups in self employment.”⁷ Put simply: there is little if any future for unskilled labour in Jamaica.



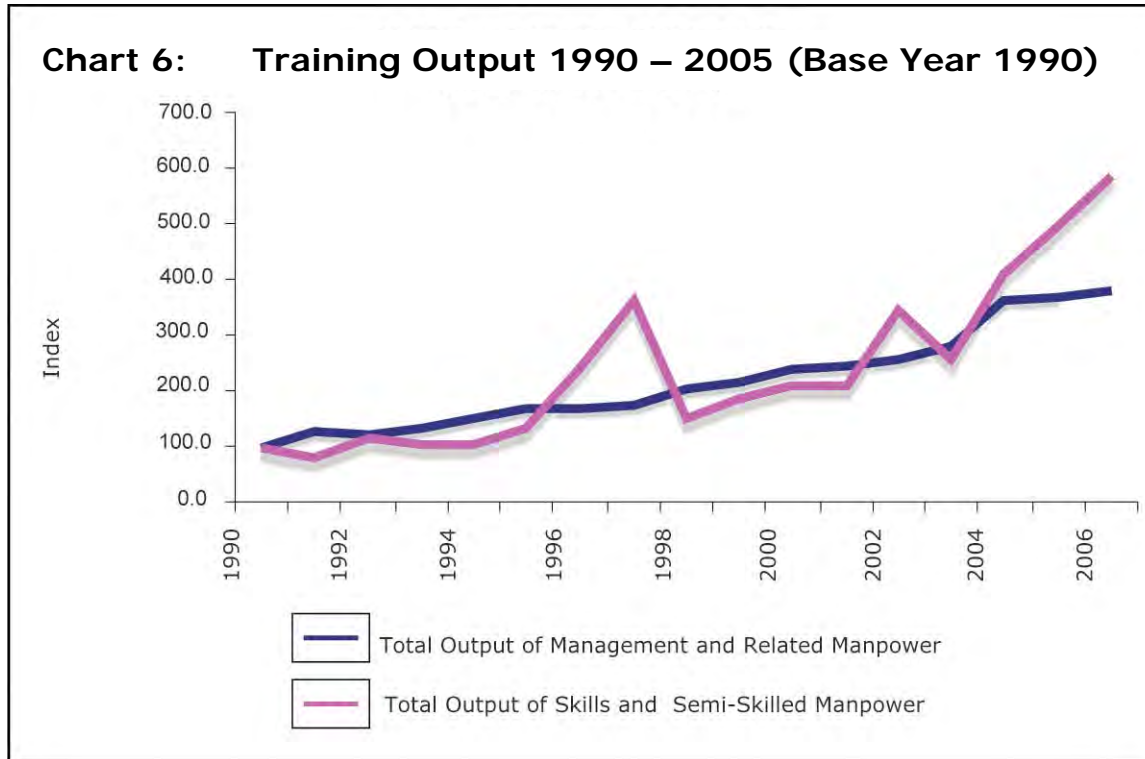
Still, despite the appeal for further job creation in the services sector, the goods producing sub-sectors continue to offer numerous opportunities for small businesses in areas such as furniture manufacturing and food processing. Both political parties paid attention to the development of micro, small and medium enterprises. The JLP wants to provide credit and technical assistance for these entities while the PNP plans to develop an extensive network of business development services through funding the Jamaica Business Development Centre.

Also, with announced plans for greater investments in health, education and training as development vehicles, the country could see the emergence of more jobs in both the education and health fields. Studies show that some of the main occupations that the country might need more of are: speech specialists, reading specialists, learning managers, special educators, educational psychologists and so on. The health sector could also see the creation of a number of occupations, particularly suited for the aging population as well as those affected by lifestyle related illnesses.

⁷ *Ibid* pp. 13

- Education and Training Patterns

The type and level of educational attainment is certainly important to the job creation process. It is however disappointing that over the past 15 years there has not been any significant increase in the number of students enrolled in primary and secondary schools.



The most notable increase in educational enrolment occurs at the tertiary and university levels, which has been increasing steadily since 2000/2001. Over the past 16 years, the country has increasingly produced individuals who fall within the skilled and semi-skilled occupations.⁸ These findings indicate the need for *ongoing* job creation, especially for individuals that are semi- and highly-skilled.

⁸ These include agricultural personnel, cooks, waiters, police, early childhood care and other education specialists and cosmetologists.

Chart 7: Comparative Analysis of PNP's and JLP's Manifestos on Job Creation

ISSUES	SIMILAR
<i>Plans for Education and Training</i>	<p>Generally speaking both parties acknowledge the need to provide better linkages between the educational system and the job market.</p> <ul style="list-style-type: none"> ❑ They both consider the HEART/NTA as the main institution for this undertaking. ❑ Both have plans increase training in the hospitality services.
<i>Plans for Enhancing Technical Skills</i>	<p>Both political parties have expressed intentions to pursue new frontiers in information technology.</p> <ul style="list-style-type: none"> ❑ In fact, the PNP highlights plans to achieve universal services in broadband technology through E-government projects, E-commerce and E-learning opportunities. ❑ The JLP on the other hand has plans to strengthen the regulatory framework through revised Telecommunications Act. The party has also expressed plans to promote the development of an islandwide backbone network capable of transmitting existing and emerging media.
<i>Main Sectors Targeted for Job Growth</i>	<ul style="list-style-type: none"> ❑ Both political parties have shown interest in the services sector particularly in the areas of entertainment, sports, culture, professional services and tourism. ❑ In the goods producing areas, both parties have expressed interest in the agricultural sector, manufacturing and construction which currently accounts for 18%, 7% and 10% of employment respectively. ❑ While the JLP remained silent on the number of jobs it will create, the PNP promises to create 60,000 new jobs through investments in tourism and another 10,000 direct jobs from the Harmony Cove development plan.

Estimates of Investments Needed for Job Creation

Table: 18 Human and Physical Investments Needed for Job Creation		
Skills Development		
Unit cost for training at the HEART/NTA in 2003/04 ranged from \$40,000 to \$275,000:		
i/ This is based on a study done in 2006:		
Average unit cost	157500	
Total cost for training the unemployed and unskilled		17,192,857,500
Fixed Capital Formation:		
Total number of jobs to be created	163,000	
Capital formation (2006)	217,062,947,000	
Annual average number employed	13,000	
Variable Capital	16,697,150	
Total Amount needed to create employment for 163000		2,721,635,412,385
Total Investment Needed		2,738,828,269,885

i/ A reference to McArdle, T's 'Firm and worker training in the Caribbean: A report for the World Bank.' This was published by Montevideo: CINTERFOR/ILO in 2006. The main objective of this publication is to examine the challenges and opportunities facing the Caribbean in promoting skills and technology with the aim of increasing productivity. It assesses the extent to which Caribbean governments, private sector and workers associations have succeeded in promoting productivity through training policies. See chapter 4 for the breakdown of training costs.

What seems to be missing from both manifestos is an acknowledgement that job creation is neither easy nor cheap. There are over 100000 individuals currently unskilled and unemployed and this does not include the present numbers of underemployed, they largely account for Jamaica's employment problem.

Neither manifesto offers persuasive answers as to what will be done for these people.

At CaPRI we have been engaged in a modeling exercise to estimate what it would cost to retrain Jamaica's unemployed to make them ready for the kinds of investment the parties propose to attract as well as how much investment would be needed to employ them.

Retraining would likely cost over \$1 billion; however over \$1 trillion of investment would have to be attracted to mop up underemployment. Just where the parties propose to get this from is unclear.

"Putting people to work" makes for good rhetoric. Actually doing it will be much harder than the parties are willing to acknowledge.



TITLE OF ARTICLE:
**ECONOMIC GROWTH AND
FISCAL POLICIES (1)**

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CONTRIBUTORS:
CAPRI TEAM AND KEI MILLER

CaPRI/Gleaner Article: Economic Growth and Fiscal Policies (1)

Notwithstanding the significant expansion of a few sectors (telecommunications, tourism, retail) over the last few years, the Jamaican economy has not experienced sustained growth across many decades and various governments. This failure suggests the presence of constraints that are widespread across sectors and regions. If the country is to achieve the significant growth rates that neighbouring countries have enjoyed over the years, these obstacles will need to be identified and addressed.

Economy-wide policies needed

In reading the manifestos, the worrying discovery is that the economic proposals in both largely fail to offer such economy-wide measures. There are two notable exceptions. The PNP's book contains an entire section on the importance of physical infrastructure and their plans to continue all their efforts towards this (highways, airports, cruise ship ports). The JLP's has only a single line but on a crucial and costless proposal – to grant institutional independence to the central bank. If an independent central bank comes to pass, comparative research suggests that it will greatly increase the likelihood of low inflation, a critical component of a pro-growth environment. This is not a trivial component when the government is saddled with a fiscal deficit and burdened with debt – problems for which a little inflation is too easy and tempting a solution.

There are other minor but useful suggestions in the PNP manifesto that will have benefits across the board (trade facilitation, tax compliance, pension reform) and both manifestos promise to consolidate employee deductions, lowering the business cost of employment and thereby raising both employment and wages. But aside from their one major contribution each, the party proposals are otherwise largely uninnovative and silent on important economy-wide growth measures. For instance, a major component of an environment conducive to pro-growth investment would be a simple and uniform, rule-based tax system. Such systems attract investment because of their relative simplicity; tax revenues are higher for a given average tax rate because investors cannot shift revenue across classifications, while the cost of collection is lower because of the simplicity of the rules. The Final Report of the Tax Policy Review Committee of 2004 described the pile of “special treatments” in the present tax code as an “ad hoc” tax system that foregoes nearly a fifth of the revenue that could otherwise be collected. Further, it specifically identified the nearly 200,000 separate incentives and remissions as a “special problem”.

Incentive schemes found wanting

But both manifestos promise to make this special problem worse! The JLP's includes a long list of new incentives for agriculture brokers, agro-processors, manufacturers, package design enterprises, overseas marketing expenditure, hotels as virtual exporters, entertainment venues, and music promoters among others. The PNP's offerings, while not quite as copious as the JLP's, nonetheless promise incentives for small tourism properties to refurbish, convention facilities, the construction of attractions, and hydroponics. Remarkably, while providing the

above specifics on how each intends to further complicate and distort the tax structure, each party has managed to contradict itself by saying that it intends to implement simplifying tax reform (the JLP in its manifesto and the PNP through one of Omar Davies' contributions to the televised debates). But with such detailed lists of promised incentives, the nod to tax reform is, as the cliché says, "lip service".

Debt and more debt

The most obvious obstacle to growth in Jamaica is the enormous public debt and the yearly fiscal imbalance that continues to pile on top of it. Jamaica now ranks as the fourth most indebted country in the world (behind Guyana, Lebanon, and St. Kitts/Nevis). At nearly every point in post-independence history, the country has suffered from either high inflation or high debt, both alternative consequences of our long-running fiscal deficits. There will almost certainly be no long term economic growth without a plan to tackle this problem, as both inflation and debt are inimical to growth. While the JLP manifesto does promise "prudent fiscal management" and the PNP's commits to "strong political leadership and resolve" on this issue, neither document provides any indication of how the required expenditure cuts or revenue increases will be effected. On the contrary, both -- and here again the JLP's manifesto appears to us to be the worse violator -- offer increased expenditure along with the new tax breaks, the arithmetical consequence of which is a worsening of the deficit.

Both parties have addressed the debt in their manifestos, but not by way of blueprints to keep it from growing. And they have addressed it in quite different ways. The PNP makes a pledge to continue large primary surpluses -- recognizing that, if interest on debt were taken out, the public accounts would reveal large surpluses which the PNP are promising to continue. But to put a halt to borrowing requires more than a continuation of the status quo. It requires lower expenditure or more revenue. The PNP manifesto does not suggest how this will happen.

The JLP approaches the issue of fiscal management as a governance issue. The party proposes to legislate a fiscal deficit limit and a public debt cap. In principle, the right governance structures can be effective means of achieving outcomes, even in the absence of a specific blueprint towards the outcomes. But several difficulties lie in the way of this particular proposal. First, fiscal accounting at present remains too much a victim of off-budget items, accrued liabilities, and sloppy book-keeping for any such legislation to be effective even in the presence of a determined finance minister. Secondly, no sanctions have been specified, in the absence of which legislation runs the risk of being just so much text on paper. Thirdly and most consequentially, the limit suggested, at 3 percent of GDP, is loose enough to allow the debt to continue to grow substantially in perpetuity, and a tighter limit is impractical given the vagaries of tax revenue and economic shocks.

In the final analysis, the flaws enumerated above -- the paucity of improvements to the broad, economic environment, the promises to further deviate from a simple, rule-based tax system, and the inadequacy of attention to the fiscal deficit and the consequence of indebtedness -- are mere symptoms of a larger, more disturbing failing: either a failing of understanding, or a refusal to convey understanding. Neither manifesto articulates a philosophy of and concomitant overarching strategy for economic growth. To promote growth, there must be an understanding of the process. In the absence of such understanding, we will continue to only have a random list of policies -- not a cohesive set-- loosely geared towards the growth of our economy.



TITLE OF ARTICLE:
**ECONOMIC GROWTH AND FISCAL
POLICIES (2)**

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CONTRIBUTORS:
CAPRI TEAM AND KEI MILLER

CaPRI/Gleaner Article: Economic Growth and Fiscal Policies (2)

When governments boost spending they essentially have three options to raise the necessary cash. They can raise it through taxes; borrow it; or print it. Printing money doesn't necessarily mean that governments are printing bank notes through the night although, as Zimbabwe's recent efforts show, they can. More likely, the government will simply credit the bank accounts of its suppliers, leaving the beneficiaries to spend essentially Monopoly money. Borrowing is more straightforward: in return for an agreed rate of interest, governments can borrow from private lenders, be they banks, individuals or foreigners. Taxes are equally straightforward. Governments have the power to increase the share of the economic pie which they appropriate for their expenses.

Weighing the options

Each option, however, has its cost. Printing money causes an increase in the money supply. Individuals have more in their accounts and so more to spend. Since money supply has risen faster than the supply of goods and services, buyers begin bidding up prices. Inflation - a persistent rise in the general level of prices related to an increase in the volume of money and resulting in the loss of value of currency-results. This is what happened in the 1970s, when the Jamaican government's deficits were "monetized", resulting in a sharply increased inflation rate. When inflation rises, people try to spend money before it loses value. While the economy will often accelerate quickly at first, low saving diminishes investment, slowing output down the road, thereby worsening the imbalance between money supply and economic output. Moreover, because poor people have fewer assets to shield them against economic vagaries, they tend to suffer the most from inflation. Indeed, the sharp drop in Jamaica's poverty rate in the 1990s, despite a moribund economy, has largely been credited to the country's falling rate of inflation.

Up to 1995, deficits were mostly financed by printing money. Since then, deficits have been financed by borrowing. As a result, inflation has come down. Nevertheless, **borrowing is not free**. Just like buying on credit, borrowing can lead to buyer's remorse. The government regrets the borrowing. Programmes offered today can, when the cost has to be paid by the next generation, later diminish the **legitimacy of government**. For instance, the Jamaican government was once very generous in its spending - but today, citizens too young to remember the days of free education and other such initiatives wonder why they should pay taxes at all to pay off a debt from which they never even benefited.

Beyond the political and moral issue, though, lies the logic of the market. When a government borrows money, it competes with private borrowers - businesses, homeowners, students going to university, and other economic agents -- for a finite pool of savings. When demand for savings rises faster than their supply, interest rates rise as well. Investment then becomes an expensive proposition as any student with a loan to repay will tell you.

That leaves taxes as another option. Increasing taxes needn't cause inflation or rising interest rates - but it can slow economic activity since people have less to both spend and save. Less spending means less economic activity, and hence economic growth. Less saving in turn means

less investment, again restraining growth. We have to be careful here though, because increasing taxes can just as equally stimulate economic growth if re-allocated in the right areas. In any event high taxes, though inimical to growth, tends to be less damaging to long-term growth prospects than inflation and debt.

As Margaret Thatcher once famously puts it, there is **no such thing as a free lunch**. Every choice will involve a trade-off. One way politicians love to get around this is to say that they will generate the growth needed to pay off the added revenue because their spending programmes will boost economic activity. This is the JLP's plan. As Audley Shaw said in his debate with Omar Davies, a JLP government would pay its expenses by putting people to work. While the logic seems sound, the actual track record of things working out this way shows how difficult it can be. Tax cuts necessarily precede growth and do more harm than good. A famous instance of this occurred in the US when President Ronald Reagan said tax cuts would actually raise revenues by boosting growth; in fact, the opposite happened and debt ballooned. Also as our analysis yesterday revealed, the challenges of creating large-scale job growth in Jamaica in the short-term future are huge, and the costs well beyond what either party has budgeted.

This does not in and of itself necessitate a commitment to a balanced budget or minimalist government. However, it does require that politicians be more forthright with the citizenry than many are being at the moment. Countless politicians around the world have promised they could find the magic bullet that would solve their country's woes painlessly, but none has yet succeeded in producing one.

Bruce Golding was asked during the political debates how he plans to finance his proposals; he announced that **increased growth is that main magic bullet**. Indeed, creating a robust investment environment appears to be the main means of budget financing for the JLP. Despite these claims, the reader is yet to understand where these investments will emerge and in what magnitudes. On account of tax reforms and other economic policies and programmes the JLP has so far failed to announce investment policies which can be matched by its investment or even borrowing arrangements. On the contrary, while the JLP has kept silent about the monetary value of most of its promises, the PNP has made some effort to provide information on both incomes and projected expenditures in its manifesto. Again, as expected, attracting investments is a crucial alternative for financing the 'new' policies and programmes of the PNP's administration.

Notwithstanding the provision of financial details or lack thereof, looking at Jamaica, even if we take the most optimistic estimates both parties give for the investment they can attract, the amount of private investment they say they can lure into the economy still falls well short of what CaPRI's model has estimated would be required to create a full-employment economy (the sort of economy that would generate the revenues to pay for all the pledges the parties are making). To recap, CaPRI estimates that over \$1 trillion of investment is needed to mop up unemployment. In order to get the jobs created, which will be for the skilled and highly skilled, the government will need to spend over \$1 billion on re-training.



TITLE OF ARTICLE:
GOVERNANCE AND CORRUPTION

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CaPRI/Gleaner Article: Governance and Corruption

Every action of course has a trade-off, and candidates for public office have not traditionally been forthcoming with prospective voters about what those trade-offs are likely to be. The budgetary cost is one such, and on Sunday we began running the “thermometer” included in this article, which adds up the costs of pledges made in the party manifestos so far. Now, one would never want to judge a party platform on the basis of its cost alone; public spending can, when done well, yield great returns, and penny-pinching a public sector out of existence is a real danger.

Still, using what we consider a very optimistic projection for growth – starting at 3% next year and rising gradually to 5% by the fifth year, a sustained rate which one should note no Jamaican government has actually maintained since the 1960s – we estimated what future revenue is likely to be. So all things being equal, we are adjudging what proportion of this new hopeful money has already been committed by the parties. It will be important to see whether either party “bursts” the thermometer in this season of grand pledging, because having covered only two of the six issue areas we are surveying so far – crime and job-creation – we can see the temperature has already started rising.

Another disclaimer: estimating the cost of party promises is a painstaking exercise, involving lots of charts, graphs, tables, calculations, cross-referencing and interpretation. One must therefore note at the outset that while the figures shown in the thermometer represent more than just intelligent guess work, they are not perfect. Indeed, CaPRI welcomes input from all those who can assist us to come up with an even clearer picture of the real cost of government programmes. In particular, we urge the parties to share with us their own research, and we will revise our own findings accordingly. In the meantime, our estimations which we have made using a conservative methodology, are to be treated as only a minimum cost of promises.

Chart 8: Comparative Analysis of PNP's and JLP's Manifestos on Governance & Corruption

ISSUES	POINTS OF AGREEMENT	POINTS OF DISAGREEMENT
Governance	<ul style="list-style-type: none"> a. Jamaican Republic: replacing the Queen with a Jamaican president as Head of State. b. Entrench a new Charter of Rights into the Constitution. c. Strengthen local government. d. Strengthening corruption prevention authorities 	<p>The JLP has proposed distinct policies such as: Strengthening the role of Parliament by requiring a 2/3 majority for approval of certain measures like exceeding the debt ceiling; Impeachment of public officials for misconduct or corruption; Legislation to regulate the financial operations of political parties; Mandate accountability from public officers; New structures to eliminate red tape; Independent body to investigate abuses by security forces; Impose criminal sanctions for violation of government contract procedures.</p> <p>The PNP has proposed distinct policies such as: Replacing the Privy Council with the Caribbean Court of Justice; Amend revenue sharing policy between central and local government; Cut down on property tax evasion; Empower local authorities to raise loans and float municipal bonds.</p>

Today, we turn our attention to the third issue area, which is governance. It will be a relief to prudent-minded readers to know that governance is an area in which neither party is making proposals likely to send us to the poorhouse. While the JLP's wish-list for the economy appears to carry a very high price tag, its wish list for governance changes is relatively inexpensive though still ambitious. This is significant: CaPRI's content analysis suggests that governance may be the most important issue for the JLP, given both the breadth and apparent depth of treatment the topic receives in their manifesto. Recent scholarship in economics underscores the importance of good institutions of governance to prosperity.

By contrast the PNP's governance agenda is not particularly bold. Headlining it is a proposal to follow the leads of Guyana and Trinidad and become a full republic. While this severing of judicial ties with England may be symbolically important for Jamaica, a republican status will have very little impact on the relationship between citizens and their state, and virtually no impact at all on the legislative process. Beyond that, the PNP makes only modest recommendations to government structures.

The JLP, on the other hand, presents a long and ambitious list of proposals which, if fully implemented, could produce the most significant changes seen in the Jamaican state in a long time. Among the changes which CaPRI's research suggests could prove significant would be creating a special prosecutor to combat corruption, strengthening existing anti-corruption authorities, regulating Party funding and reforming the libel and slander laws -- which would enable the media to investigate and report on corruption more aggressively. The JLP also wants to strengthen parliament and reduce the discretionary power of the prime minister, notably in the calling of elections and public appointments. Such proposals could fundamentally alter the relationship between citizen and state by strengthening Parliament and making Government more accountable.

Interestingly, while the police force gets obvious special attention in both manifestos' treatment on crime, it gets very little in their treatment of governance and corruption. CaPRI's research indicates however that the police force is the single most mistrusted public institution in Jamaica. Owing to this lack of trust in the state's conflict-settlement mechanisms (police and courts) citizens have resorted to settling many of their differences in extra-legal means. Governance reform which does not convince people of an honest determination to root out police corruption will not restore trust in the force or the government as a whole.

With the likes of Bustamante, Seaga and the Manleys, Jamaica has had a tradition of dominant leaders. Some might argue that recent years have augured a move away from a charismatic centre and the Labour Party's proposals certainly would formalize that process. Still, it is worth noting – all hubris about Jamaica being one of only two island-continent in the world set aside – Jamaica is in fact a small country. To an extent the experience of Jamaica has shown that political support counts for a great deal. Our research has shown that where anti-corruption initiatives have failed it was due to lack of competence on the part of officials, but in a lack of political will.

It seems reasonable to conclude that for corruption to truly be flushed out of the Jamaican system, a public and verifiable commitment at the highest level – which is to say, from the leaders of the two parties – to provide full backing to anti-corruption initiatives is essential. It is no longer sufficient for party leaders to say “trust me.” They must give voters a commitment that can be measured and reported on after the election, setting clear goals and measures – ideally, a plan of action that specifies when measures promised in the manifestos will be implemented, with a reporting mechanism, possibly by an anti-corruption “czar” or recognized watchdog. This might then convince the citizenry that the manifestos offer more than wish-lists, but herald real change.



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CAPRI TEAM AND KEI MILLER



CaPRI/Gleaner Article: Education

In a country where almost seven out of every ten Jamaican fails to achieve five or more passes at CXC, the education debate is always a lively one in election year. In this season tongues have been wagging heatedly around the issue of whether or not high school students should pay fees. The PNP favours the continuation of cost-sharing but the JLP wants to abolish it. But this is really a side-show; the price-tag on free education is a modest one, and both parties propose to spend far more money on other pledges. Also, the manifestos show more agreement than disagreement: they agree to expand e-learning, introduce performance management systems, eliminate the shift system, institute homework programmes, institute compulsory school attendance, build schools for special needs children and expand teacher training. They both commit to building new primary and secondary schools and both promise to employ remedial specialists to help support illiterate and troubled students.

Chart 9: Comparative Analysis of PNP's and JLP's Manifestos on Education		
ISSUES	POINTS OF AGREEMENT	POINTS OF DISAGREEMENT
Education	<ul style="list-style-type: none"> a. Improving Early Childhood education b. Building new schools c. Increasing the amount of the loans provided by the Student's Loans Bureau. e. Expanding the e-learning programme f. Recruiting and training remediation specialist and teachers. g. Train teachers to the BA. Level h. Introduction of Performance Management System i. The implementation of After School Homework programme 	<p>PNP- Continued arrangements for Cost Sharing contribuutuons</p> <p>JLP- Abolishing of tuition fees at government operated secondary schools</p>

Disagreements exist in the manifestos' treatment of early childhood education. It is now widely agreed that this has been the most neglected yet vital link in the education chain. The PNP reaffirms a commitment to full literacy with their slogan: "every child can learn, every child must." And seems to put this rhetoric into action: the party intends to introduce the licensing of early basic schools and to complete a proper curriculum by September 2007. The JLP of course proposes to 'change course'. It plans to establish stand-alone infant schools and infant departments at selected primary schools to increase the availability of places. They also commit to providing grants to private basic schools to enable them to meet the minimum standards prescribed by the Early Childhood Act. The JLP plans to ensure a maximum class size of 20 for all basic schools -- not an impossible goal since the government has already improved the teacher student ratio to 1:21.

Nonetheless, agreement on early childhood education does exist. Both parties want to promote better parenting techniques so that even from their homes children are better prepared to learn. Both parties also want basic school teachers to have basic qualifications. Currently, a dismal 9 out of ten teachers at that level are not trained. The JLP wants at least one trained teacher in each basic school and Level 2 certification for other early childhood practitioners. Both parties also converge on developing a standardized early childhood curriculum if elected to be the next government.

The JLP has also committed to ensuring that teachers at the various levels -- early childhood education, primary and secondary -- will all be graduates possessing a B.A. in their specialized area. The manifesto does not, however, state how this upgrading will be funded, or how long it would take. If we assume they plan to fulfill this pledge in their next term of office, which is what manifestos ordinarily propose to do, CaPRI's estimate is that it would cost \$12.6 billion over 5 years. The PNP proposes to achieve this same goal, but to spread it over the next 8 years, which would reduce the annual cost, but probably only marginally. As with all CaPRI estimates, we employed a conservative methodology in reaching these figures, so actual amounts could be much greater.

There is one area that leaves us a little worried. While both the JLP and PNP manifestos treat the topic of high-quality technical and vocational training, they do it as part of a comprehensive grab-bag – neither seeming to recognise it as a primary challenge. When we recently engaged in a research exercise surveying countries that had made the transition to developed-status, of the common patterns that emerged, the most significant was indeed a heavy focus on high-skilled training. But neither document reveals a particular sensitivity to this. They don't seem to have a plan to train workers to fit in a future global economy.

Finally, it is worth mentioning the PNP's call for Caribbean standardisation in vocational training, in the form of Caribbean Vocational Qualifications (CVQ). This organization was approved by the Council for Human and Social Development (COHSOD) in October 2006 and was expected to be in place by mid-2007. Such an organization should be instrumental to the free movement of skilled labour across the region, because as it stands, an electrician in Jamaica isn't allowed to wire a building in Antigua.

All in all, on the topic of education, the choice between JLP and PNP is not a radical one. Both documents reveal many of the same strengths and weaknesses. They address a similar set of goals seeming to equate overall improvement in education quality to better teacher training, ignoring things like a revamped curriculum. Also, they both gloss over the actual cost of pledges. As our thermometer shows today, both parties will already “blow the budget” with their education pledges.



TITLE OF ARTICLE:
HEALTH

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CONTRIBUTORS:
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CaPRI/Gleaner Article: Health

Portia recently suggested that the Opposition Leader follow the advice of popular deejay, Mr. Vegas and ‘tek weh himself’. She was referring to what has been the JLP’s habit of making big promises more concerned with impressing voters than budgeters. After Education, Health has become the second issue area which, in this election season, has had a great philosophical question attached to it: “To fee, or not to fee?” The PNP sings a mantra of “Nothing is free. Everything must cost us something” while the JLP continues to say elliptically, “We can find the money.”

Chart 10: Comparative Analysis of PNP’s and JLP’s Manifestos on Health		
ISSUES	POINTS OF AGREEMENT	POINTS OF DISAGREEMENT
Health	<ul style="list-style-type: none"> a. Intensify the promotion of healthy lifestyle programmes b. Promote awareness in areas such as HIV and other STDs c. Continue to promote the establishment of healthy community programs d. Provide strategically located health centres to facilitate assessments and initial treatment in order to reduce hospital overloads e. Increase and upgrade the number of community health aides f. Expand mobile clinic systems g. Expand Emergency Medical Services h. Upgrade parish hospitals to offer a wide range of specialist services i. Attract and train medical staff j. Develop new medical technologies k. Expand immunization programme l. Encourage responsible parenthood through Family Planning programme 	<p>JLP – Significantly increase the inflows into the National Health Fund</p> <p>Work along with NGOs to expand facilities for residential care of HIV/AIDS patients</p> <p>Abolish user charges at all public health facilities including public hospitals</p> <p>Expand specialist services at Bustamante Children's Hospital</p> <p>Upgrade Bellevue to a neuro-psychiatric institution</p> <p>Remove all import duties on the importation of medical equipment and technologies.</p> <p>Provide tax credits for health insurance premiums paid by employees and employers.</p> <p>PNP - Provide the opportunity of offshore training for some medical staff</p> <p>Provide treatment for HIV infected persons</p> <p>Opening of a new hospital in Portmore</p> <p>Construction of specialist children's hospital and facilities for the terminally ill in western Jamaica</p> <p>Provide short term mental health treatment facilities at specific hospitals</p> <p>Ongoing provision of emergency air transport</p> <p>Provide access to medication through clinic pharmacies.</p>

On this topic, CaPRI actually believes the JLP have their feet more firmly on the ground than with other ambitious promises they have made. Our research suggests the abolishment of Health

fees is something the country can afford. A few myths need to be debunked to make the point: firstly, no matter how tightly we cross our fingers, Free Health Care will not translate into a free bed, and personal care for every jack man in the exclusive Tony Thwaites Wing of the University Hospital. Private Health Care will still cost money, and we believe, will continue to be the preferred option for those who can afford it and who would be 'impatient' to be put on any government wait-list. This indeed is the present situation; those burdened with the very minimal health fees charged (\$300 for registration at health centres, \$1000 for minor operations) are generally the poorest of the society. User fees in fact amount to only 0.39% of the National Health budget and so it would be almost a preposterous case to make that these fees, in any significant way, sustain the delivery of Health in the country. Some Health Care professionals we interviewed have further hypothesized that the abolishment of fees might lead to a healthier population if only because it encourages more people to come in for diagnosis for various illnesses at an earlier stage.

Again, like the topic of Education, the big hoopla over fees has diverted the public's attention from a simple fact: the manifestos do not differ greatly. The JLP's proposal to abolish Health Fees altogether and the ruling party's present policy of not turning away anyone who cannot afford said fees, amount to almost the same thing. Other areas of convergence in the two manifestos include: the promotion of HIV/STD awareness and healthy lifestyle programmes, the establishment of community health programmes, the expansion of mobile clinic systems, the upgrading of parish hospitals to include a wide range of specialist services, the expansion of Emergency Medical Services and also the immunization programme.

A Complicated Problem

But to return to the matter of Free Health Care, by whatever name it is called – this will prove a far greater burden to the Health Sector's human rather than its financial resources. This is a real concern since both parties propose, however vaguely, to build more hospitals. Who exactly will staff them? The country continues to face a shortage of nurses and the Kingston Public Hospital which right now has three or four operating theatres only operates one, because they simply do not have enough specialist doctors (surgeons, pediatricians, obstetricians for example) to make use of the facilities.

Increasing the number of facilities therefore isn't a well thought out proposal from either party if there is no one to work in them. The parties of course want to train and recruit more professionals and it is at this juncture that the former question becomes more appropriate: Where are we going to find the money? Right now, 70% of the health budget is used to pay salaries. This means that only a relatively small percent is used on research, maintaining clinics and buying supplies, importing necessary machines or equipment, etc. Simple mathematics therefore means that to put more persons onto the health payroll (something CaPRI does acknowledge is necessary) will mean an even smaller piece of the pie going to other aspects of the health service. Take for instance the need for more drugs. Already there has been an increase in the demand for pharmaceutical supplies. Between 2002 and 2003, the total number of clients using public sector pharmacies increased from 688,801 to 733,882 and the items increased from 1,895,607 to 1,989,267

Our own estimates reveal that by the end of the first term, if they both plan to train the required number of nurses, they will have to spend over \$3.6 billion. This is money that needs to be spent. Studies by the National Academy of Sciences show that patients are endangered when nurses are required to work more than 12 hours a day as fatigue reduce productivity. Studies further show that increased infections, bleeding and cardiac and respiratory failure are associated with inadequate numbers of nurses and that nurses defend against medical errors, intercepting 86% of medication errors before they reached patients.

Public Health management also needs urgent attention and money. Our recent and ongoing battles to control both malaria and leptospirosis outbreaks highlight this issue. According to the Economic and Social Statistics of Jamaica for 2006, the number of leptospirosis in humans doubled in 2005, compared with the corresponding period. The outbreak was responsible for seven deaths in Clarendon, Manchester and St. Elizabeth that year. While the Ministry and other public authorities sought to deal with the rat infestation problem they faced challenges in eliminating the breeding ground for rodents as the laws regulating proper disposal of organic waste were not being rigorously enforced.

Throwing yet another spanner into the works: the plans to build more clinics or hospitals is a little short sighted especially when we are not told the size of these hospitals or what they might specialize in. Jamaica needs more than just a greater number of hospitals – we need hospitals that cater exclusively to cardio patients, or one that can specialize in male-health related issues. Both parties express plans to expand the Emergency Medical Services but we are unsure if have they considered the finding that all-island EMS-coverage can only be provided by 45 EMS sites with at least 2 ambulances and 2 crews each. We currently use 3 crews and have very few EMS sites.

This all amounts to a dynamic and complicated set of problems looming over our Health Sector. Both manifestos spend a great many pages talking about health, but neither seem to have a solid grasp of the extent of what might need to be done or realistic, strategic plans on how to accomplish it. The truth is – many urgent things need to be done, and we do not have the money to do them all. What then is the real priority of either prospective government, and what tangible improvements can the public reasonably expect? The fact that so much time and energy has been wasted on the debate over fees is evidence of both parties being divorced from the more substantial matters concerning Health. The answer to the question ‘To Fee or Not to Fee’ will hardly be the beginning to any solution that would see significant transformation to Health Delivery in Jamaica.



TITLE OF ARTICLE:
HUMAN RIGHTS AND JUSTICE

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CONTRIBUTORS:
CAPRI TEAM AND KEI MILLER

CaPRI/Gleaner Article: Human Rights & Justice

Judging by the sheer number of placard-bearing women and men who have made their way onto the evening news demanding JUSTICE! reminding authorities of their essential rights, and feeling they have been disenfranchised from these – the topic would have been an impossible one to omit from any serious manifesto. Both parties try to convince us that they are indeed serious about citizens’ individual rights. Complete with quotes from Martin Luther King Jnr., the manifestos make earnest, if not accurate, pronouncements about justice being a fundamental pillar of any thriving democracy.

It should be noted from the outset that both parties have, by and large, lifted their recommendations from a common source – a document published earlier this year by the Jamaica Justice System Reform Task Force (JJSRTF). So while not wholly original, these recommendations are certainly not dated and if implemented, it could mean some note-worthy improvements in how justice is dispensed in Jamaica. Also, the similar source does not by itself mean the two parties agree on everything.

Chart 11: Comparative Analysis of PNP’s and JLP’s Manifestos on Human Rights and Justice		
ISSUES	POINTS OF AGREEMENT	POINTS OF DISAGREEMENT
Justice	<ul style="list-style-type: none"> a. Law Reform b. Training for judiciary and court officers c. Reform case management system d. Modernise justice system and court operations e. Increase number of courts f. Community Security /Policing initiatives / Inner city renewal projects g. Expansion of victim support unit 	<p>PNP– Ensure improved protection of women and children via Act of Parliament</p> <p>Establish a judicial code of conduct</p> <p>Introduce mandatory continuing legal education and ethical training of attorneys-at-laws</p> <p>Access to legal information service to advise citizens on realisable redress.</p> <p>JLP- Establish Community Justice Tribunals to resolve disputes between citizens</p> <p>Establish a political code of conduct with regards to Human Rights related issues particularly in garrisons</p> <p>Amend the Constitution to recognise Resident Magistrates as part of the judiciary and provide them with security of tenure</p> <p>Construction of new modern prison facility to ease severe overcrowding.</p>

Faster Justice

For those who have actually sat through a local court-case and listened to the slow testimonies as witnesses are allowed to speak no faster than the speed of the judge's, the lawyers' and the court transcribers pens, the JLP recommends a wholesale system of modernization to speed things up. They want to see the introduction of computer-based audio and text recording technology that would allow for real time testimonies, and they would like to provide online access to transcripts and judgments.

In the bid for greater efficiency the JLP manifesto further acknowledges, more than the ruling party's manifesto, the critical issue of case backlogs and the need to something about this. They recommend a shift system – the possibility of night or evening court sessions; an increase in court staff specifically more resident magistrates and prosecutors; an increase in power to Justices of the Peace who could then arbitrate on disputes that do not involve criminal offences.

In their manifesto The JLP tends to tie the issue of justice to one of good governance and accountability. Indeed if the matter of justice ensures, among other things, that each Jamaican is dealt an equal hand, the JLP is committed to politicians not benefiting from their high public office. They take a stance on corruption and propose a number of structures and mechanisms to deal with the matter. One initiative is to amend section 40 of the Constitution which deals with the Code of Political Conduct with criminal penalties for those found in breach of the Code. They have also proposed to establish specialist investigative units along with a special prosecutor to combat corruption. There is also a commitment to greater scrutiny in the awarding of government contracts.

Still, some questions and points of further clarification will be raised after reading the JLP's proposals: 1) given the extensive nature of the modernizing they propose, will it therefore follow a structured sequencing? 2) a broader question on prioritizing, what indeed is their priority – dealing with the case backlog, or instituting legal reforms? 3) as has become our own usual Sankey, what will all of this cost us?

Shroud of Vagueness

It is unfortunate that the PNP's manifesto did not, at least on the surface, seem to take on board more of the JJSR's plans for easing the case backlog as their recommendations on that matter are comprehensive. At CaPRI we put stock in the adage 'Justice Delayed is Justice Denied' especially when that delay can be as much as a decade-long. The PNP mentions the problem of backlog, but that is almost all they do. Still, whereas the JLP does not cost any of their proposals or tell us where the money might come from, the PNP says they will have a dedicated pool of funds to "provide adequately" for the justice system. Admittedly, this is a vague proposal, and indeed many of the PNP's proposals are hidden in a similar shroud. For instance, they want to reorganize the Office of the Director of Public Prosecutions; they intend to "maintain and expand the consultation process" of judicial reforms; they propose to enhance our law reform capacity; they want to establish a judicial code of conduct. But what we want to know with more specificity is what these proposals might amount to and by extension what they imagine the justice system will look like when and if they are implemented.

We are also a little concerned by the proposal for the establishment of a Court Services Unit within the Ministry of Justice which would have the responsibility of modernizing the courts. We believe the judiciary needs to manage its own budget and not be dependent on the executive arm of government.

Where the PNP does show more initiative than the JLP is in stressing more collaboration with both local and international multi-agencies.

Human Rights?

The manifestos seem to pay the usual lip service to groups that it has become popular to champion. The JLP has proposed to increase the numbers of shelter for victims of domestic violence while enforcing strict measures to eliminate said offense. The PNP pledged to ratify the inter-American convention on the prevention, punishment and eradication of violence against women. They also promise to quickly start a campaign to eliminate negative gender stereotypes and pass bills on offenses against the person, sexual harassment and incest.

Not surprisingly, neither manifesto speaks specifically to less popular minorities that have traditionally held the short end of the justice stick in Jamaica. There is no specific policy on treating the homeless or the mentally ill or the suggestion of stronger sanctions for people who abuse them; there is no word about greater religious tolerance in a particularly Christian society where non-Christian religions and practices are literally “demonized”; and there is certainly no word of hope for people of different sexual orientations who might be chased and beaten in plazas. With such glaring, and some might say deliberate, omission, advocates who have a stake in Jamaica being a just and equal society for its citizens it might argue that the parties are more interested in human rights for most (not all) and committed only to the appearance of justice rather than the fact of it.



CaPRI

Caribbean Policy Research Institute

Taking Responsibility

**CAPRI/GLEANER
FEEDBACK –
JAMAICA'S RESPONSES**

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CONTRIBUTORS:
CITIZENS OF JAMAICA

Appendix 3: Jamaica's Responses

Jamaica's feedback has fulfilled our hopes. Responses sent to the Gleaner have yielded neither partisan diatribes nor blind criticism. Instead, you have joined the debate by making suggestions as to the sorts of policy change you think the country needs.

The following is few excerpts from the public discourse which followed the Gleaner articles:

Economy article:

Tyesha Turner (tyesha_t@hotmail.com) said:

In reference to the article "No Politician has yet been able to identify the 'magic bullet'" in the Financial Gleaner (2007 Aug. 17), a point was raised that I have always maintained should be politicians' approach to the citizenry, i.e. the need for politicians to be forthright. In the past, when I have suggested this, the answer ranged from "Jamaica can not handle the truth" to "Jamaicans do not want to hear the truth". And it is this perception that has perpetuated views of the electorate as being unintelligent and unconcerned.

I fail to see any one possible solution as a panacea for our economic and social troubles. The problem is, as illustrated in your article the costs associated with each option. At some points, citizens will have to make a sacrifice to achieve the golden dream. The challenge is that most Jamaicans are reluctant to place such trust in the decision-makers, the trust to pursue certain policies that will not achieve immediate success.

As for the options, a synergy of the different options is my best bet namely borrowing and increasing taxes. A balance would have to be sought whereby the populace is not taxed excessively and borrowing is within prescribed and reasonable limits.

Now is the time to arm ourselves with information and other necessary resources and restore our power as the electorate and the citizens of Jamaica by advocating sharply for informed policies to develop our country. This should be the case, not only when the sound of the trumpet is heard, but on a sustained basis; and on that note, I wish to commend CaPRI for the work undertaken. We should always be mindful of the power of our combined voices and note that Parliament's sovereignty rests precariously on the use of that power.

Floyd Smith (floydosmith@yahoo.com) said:

Thanks for your article in the gleaner concerning "identifying the magic bullet". I think you did a wonderful job of succinctly breaking down economic policy and how those policies relate to the two parties. I am currently reading Milton Friedman's "Free to Choose" and trust me, after reading your article, I am sure his book will be an easier read.

Richard Chen (richchen@cwjamaica.com) said:

In your Gleaner article entitled "No Politician Has Yet Been Able to Identify the Magic Bullet" you said,

"Tax cuts do not necessarily precede growth and do more harm than good. A famous instance of this occurred in the U.S. when President Ronald Reagan said tax cuts would actually raise revenues by boosting growth; in fact, the opposite happened and debt ballooned."

However, I pulled this from Wikipedia:

"Reagan's tax policies were accused of pushing both the international transactions current account and the federal budget into deficit and led to a significant increase in public debt. Advocates of the Laffer Curve contend that the tax cuts did lead to a near doubling of tax receipts (\$517 billion in 1980 to \$1,032 billion in 1990), so that the deficits were actually caused by an increase in government spending. However, critics point out that this alleged doubling of revenue is significantly smaller when looking at real inflation-adjusted figures (\$1,077.4 billion in 1981 to \$1,235.6 billion in 1988, measured in FY2000-dollars)"

The Cato Institute (from which Wikipedia pulled some of its info) has a more detailed study of the Reagan years on its website. Of course the successes and failures of Reaganomics are still being debated (unfortunately, mostly along political/ideological lines) but you have to be careful of stating so definitively "facts" that may not be fact at all.

Dennis Chung (drachung@cwjamaica.com) said:

CaPRI, I agree with Richard 110%. It is not a black and white issue, and there are more complexities. To support this we have had, over many years tax increases and still have had the ballooning of debt, so where is the relationship between increased taxes and increased debt. In fact, the recent experience in the US has shown where tax cuts have helped to expand the economy, as it provides greater liquidity for private sector expansion, which is certainly needed in Jamaica. This would also be better than encouraging FDIs only, as we would allow our local private sector to expand.

David Mullings (david.mullings@gmail.com) said:

I definitely appreciated the Gleaner article and analysis today but it limits our options too much.

Why can't we seek out a lower interest loan from a cash-rich country like China solely with the goal of paying off higher interest debt?

Essentially we would be doing a balance transfer from a high interest credit card to a low interest one or refinancing our debt.

If we can drop the interest by 3% alone, we would save billions in one swoop.

These billions could then be used for re-training, subsidies for things like organic goods and ethanol production, as well as pay for social services.

Job creation article:

Jeffrey Foreman (foremaninc@hotmail.com) said:

If the global market requires people in the fields of information technology, investment and financial services, engineering and general management should we continue to provide subsidies for tertiary students who enroll for degrees in areas which are irrelevant to those areas? Would it be more feasible for the country to fully subsidize students of say economics, engineering, computer science and the like instead of giving everyone the same 80% off of tuition?

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