

Jamaica

Status Index (Democracy: 4.4 / Market economy: 3.4)		7.8	Management Index		5.7
System of government	Parliamentary democracy		Population	2.6 mill.	
Voter turnout	52 % (Parliamentary elections 2002)		GDP p.c. (\$, PPP)	3,720	
Women in Parliament	13.6 %		Unemployment rate	15.5 % (2000)	
Population growth^a	1.0 %		HDI	0.757	
Largest ethnic minority	15 %		UN Education Index	0.83	
			Gini Index	37.9 (2000)	
Data for 2001 – if not indicated otherwise. ^{a)} Annual growth between 1975 and 2001. Source: UN Human Development Report 2003.					

1. Introduction

The victory of the People's National Party (PNP) under the leadership of Prime Minister Percival J. Patterson in October 2002 was the first time in Jamaica's history that a political party won four consecutive general elections. The previous general election had been held in December 1997. The time covered in this report corresponds to a large degree to this legislative period. Political abuses in Jamaica are especially obvious during elections, so elections are obvious orientation points.

Jamaica is not undergoing a system transformation from an undemocratic, non-market system to a market-based democracy. Jamaica is a long-standing democracy and free market economy. However, Jamaica, like other Latin American countries, had to disengage from a strongly regulative role of the state in the economic sector – a process that is not completed yet in all domains, particularly regarding the evolvement of dynamic competition. The only transformation needed is to strengthen democratic institutions and practices and to redesign the existing market economy so that its potential can be realized.

The report on the status of economic and political transformation in the country over the last five years (1998–2003) concludes that Jamaica is still struggling with the same problems that were apparent five years ago. Although there have been slight improvements in some areas, they were always followed by setbacks causing economic growth nearly to stagnate during the evaluation period.

Considering the economic problems and challenges, which are largely beyond the control of Jamaican decision-makers, it can be seen as a management success that

levels achieved in the second half of the 1990s were maintained, and social and economic indicators have improved, or at least have not drastically worsened. Decision-makers are pursuing reform and structural adjustment programs in cooperation with industrialized nations and international organizations.

2. History and characteristics of transformation

In the 17th century British colonists in Jamaica created a parliament and local bodies for autonomous administration in which the majority of the population (predominantly slaves brought from Africa) was not represented. Once slavery was abolished in 1838 and the crisis of 1865 ended, the white oligarchy decided to end the system of self-government and place the colony under direct administration of the British Commonwealth. Thus, there is no direct line from the original autonomous administration to today's representative democracy in Jamaica. Labor unions and political parties that propelled the democratic process were formed during social unrest in the late 1930s.

Jamaica held its first general election under universal adult suffrage in 1944 and elected a parliament with national legislative power. After a phase of self-government, Jamaica achieved full sovereignty in 1962. It is one of the few developing countries that achieved independence at that time that has continued to maintain a representative democracy with government changes achieved through regular elections. Jamaica's two leading political parties, the People's National Party (PNP) and the Jamaica Labour Party (JLP), alternated in control of the government until the 1990s. The PNP was reelected for a third time in 1997 and a fourth time in 2002.

Democracy and economics still suffer from Jamaica's past as a plantation colony. The results are social inequality correlating with ethnicity as a result of slavery and racism, as well as the mono-cultural economic starting point that resulted from being an economy based on plantation.

Researchers classify Jamaican democracy a patronage-based democracy. One fundamental characteristic of this system is that its citizens, especially those in the lower classes, are bound to parties and integrated into the political system through patronage-based dependent relationships. The downside to this integration is that it is accompanied by political and criminal violence, as well as by an especially intensive polarization, characterized by political tribalism between political parties and their constituents. Patronage-based democracy results in the annulment of customary democratic rules and freedoms by the dominance of one party in some constituencies, particularly in the capital Kingston. Nevertheless, this does not principally obstruct the political, social and economic development of the country. Moreover, the Jamaican population, whose alienation from the political system is constantly growing, has been increasingly rejecting patronage-based democracy.

It became equally difficult for both major parties to gain new supporters and adherents besides the “hardboiled” and longstanding party members. Due to the fundamental reform of the electoral system as well as of the procedures on the election day itself before and during the elections 2002, the influence of powerful party members had been reduced significantly. Even though the customary democratic rules and freedoms are certainly still restricted by party bosses in strongholds, this is not the case for the whole of Jamaica.

There was an ideological polarization and radicalization of both parties in the 1970s. The confrontation reached its peak in the late 1970s and early 1980s. Approximately 800 people died during the 1980 elections, and relations between the parties were so strained by 1983 that the opposition PNP boycotted a snap election in view of the surprise conditions in which the ruling JLP had called for the new election. The boycott resulted in a parliament without an opposition for an entire election cycle. Political divisions within Jamaica reflected a wider global conflict based on the polarization of the two parties’ ideologies and foreign policy issues.

The PNP, under the leadership of Michael Manley, emphasized Jamaica’s role in the Movement of Non-Aligned Countries and aligned itself with Cuba. The JLP, under the leadership of Edward Seaga, cooperated with the United States government. This international dimension of the domestic confrontation has not been an issue since the Cold War ended. Since then, both parties’ political opinions have been converging at the center, and the United States has recognized the PNP since the late 1980s. Elections became considerably less violent after 1980. Nonetheless, violent crime is still one of the country’s largest problems.

The JLP and PNP have pursued different economic development strategies. In the 1960s, JLP governments, which were focused on modernization theories, tried to industrialize the island with the help of foreign investment. In the 1970s, the PNP pursued a development policy based on dependence theories and socialist ideas in which the government, which the party held should have control of the economy, played a central role. In the end, neither strategy eliminated mass poverty. Each, in fact, resulted in economic decline.

Since the 1980s, Jamaica has pursued market-oriented economic policies and sought to implement structural adjustments and reforms. These included liberalization and privatization programs performed in close collaboration with the International Monetary Fund (IMF) and other international organizations. In view of the high unemployment rate, high crime rate (including one of the world’s highest murder rates) and high external debts, it is highly unlikely that these reforms will bring about fundamental change in the short term.

In international markets Jamaica has not been very competitive, even compared with its southern Caribbean partners in the Caribbean Community and Common

Market (CARICOM). In light of impending trade liberalization—as part of the Free Trade Area of the Americas as well as other international agreements—it is continually stressed that the Jamaican economy must adapt to these new challenges. Without it being obvious, this is, in fact, happening.

3. Examination of criteria for democracy and a market economy

3.1 Democracy

The democratic system of government is as stable and consolidated as ever. Democracy is no longer questioned, as it sometimes was in the 1970s and 1980s. Senator Trevor Munroe, who is also a political analyst, observed correctly that democracy is “very definitely the only game in town.” However, there is a high level of dissatisfaction with the quality of that democracy – the limitedness of the Westminster model seems very obvious. A desire for improvements is widespread.

3.1.1 Political regime

(1) *Stateness*: The state’s monopoly on the use of force in Jamaica is widely secured, but it is still limited in some urban residential areas and constituencies. There are some districts, particularly in Kingston, that are dominated by criminal gangs and clientelistic networks under political instrumentalization. These since the 1960s evolving *garrison communities* became centers of political violence that were consciously used by politicians of both major parties, foremost in the 1980s.

This phenomenon, known as political tribalism, declined significantly in the 1990s, but some of these garrison communities are still constituting a kind of state within the state where drug trafficking has played an increasingly relevant role as well. This has effects also on the electoral process in some constituencies by the manipulation of the voting with several mechanisms in favor of one of the two major parties. At the beginning of the time covered in this report altogether 12 out of Jamaica’s 60 constituencies were classified as garrison constituencies.

The garrisons are ruled by local party leaders who have connections to criminal gangs and the drug trade. All ethnic groups are considered citizens. Occasionally, someone will call into question whether members of light-skinned minority groups are really as Jamaican as the black majority. There is separation of church and state, and there is a working administrative system with the limitations mentioned above.

(2) *Political participation*: Jamaicans enjoy universal suffrage and the right to campaign for elected office. National elections are independent with the exception

of garrison constituencies, where dominant political parties intimidate dissenters or manipulate vote counting. This phenomenon, however, weakened noticeably in the 1997 and 2002 elections. After a reform of the election process began, the 1993 municipal elections, which had been continually postponed, were finally held in 1998. Citizens are allowed to form independent political and civic groups, and citizens and the media are free to express their opinions outside the garrison communities.

(3) *Rule of law*: Jamaica has separation of powers, as is customary in democracies based on the Westminster model. However, the system places considerable power with the prime minister as long as he has a majority in Parliament. In debates about possibly reforming the constitution, some have suggested loosening this concentration of power by, for example making the institutional separation between the executive and legislative branches clearer. An independent judiciary exists in practice, but it is considered slow and inefficient.

Judicial independence is guaranteed by the fact that the final court of appeals is located outside Jamaica. Final appeals are made to the Judicial Committee of the Privy Council in the United Kingdom. This Privy Council is to be replaced by an independent Caribbean court within the framework of CARICOM. Corruption is widespread, especially in connection with the drug trade and with patronage-based political structures. These conditions limit the prosecution of corruption. Civil rights are guaranteed with some limitations. The main criticisms concern police brutality, illegal imprisonment and the high number of people killed by police and security forces.

3.1.2 Political patterns of behavior and attitudes

(1) *Institutional stability*: The democratic institutions are very stable, but they often function inefficiently, especially when a consensus between the government and the opposition is needed. Both parties are as confrontational and mistrustful of each other as ever. Their relation, however, has improved significantly thanks to the non-confrontative rapprochement of the PNP under the leadership of PJ Patterson on which the JLP on their part reacted with a benevolent attitude and further attempted rapprochements. Even though both parties are distrusting each other a lot, the PNP – in accordance with the increasing rejection of their members towards confrontative politics – is meanwhile behaving by far less confrontative than the JLP.

The democratic institutions are basically accepted and considered legitimate by the relevant political and social actors, but that does not stop them from fighting the incumbent politically. If institutions are drawn into the political struggle, it can cause others to question their legitimacy. For example, the opposition accused the government of using the constabulary force as its own party militia.

(2) *Political and social integration:* Jamaica has an extremely stable two-party system. The parties are multi-class alliances free from ethnic divisions. They therefore integrate the lower classes into the political system. It is nevertheless conspicuous that there are no members of the mainly black working class among the top leadership of either major party: Leading positions are mainly occupied by representatives of the upper black classes or rather light-skinned men – women have a proportionally lesser share of the top leadership in both parties.

It seems rather typical for Jamaicans to dispute the existence of racial and ethnic tensions and problems within their society. The parties are connected to violent criminal gangs and drug dealers through patronage-based networks. While there are no distinct ethnic conflicts in Jamaican politics, the result of such strong party bonds, combined with enormous polarization between the supporters of the two main parties, is referred to as political tribalism. This tribalism continued even when the ideological polarization dissipated at the end of the Cold War conflict.

The party system is both stable and polarized. In the interest of qualitatively better democracy, many people have recommended loosening the rigid two-party system that blocks political development. Additional parties were founded, even during the evaluation period, and will continue to be founded. They have, however, never won a seat in Parliament due to the first-past-the-post voting system.

Jamaica has a well-organized civil society in the form of labor unions, churches and associations. Political parties are not well respected by members of the middle and upper classes due to the parties' connections to violent crime and their confrontational, stalemating policies. Approval for democracy is very high. Many citizens are, however, dissatisfied with the quality of Jamaica's democracy. Voter participation decreased in the 1990s. Voter turnout in the 1998 municipal elections, which were postponed several times, was 31 %. 67 % of those entitled to vote participated in the 1997 parliamentary elections, and 52 % voted in the 2002 parliamentary elections. The low turnouts can be blamed on loosening party ties and, in the case of the 2002 elections, heavy rains that caused polling stations to open late.

There is a widespread, rebellious attitude directed towards the system itself among the urban poor. At the same time, the urban poor are integrated into the political system through patronage-based structures. Reasons for this are the lack of a clear-cut line between party politics, organized crime and drug trafficking, as well as occasionally disproportionate actions of the security forces in urban ghettos. Social and economic benefits, security and order are often guaranteed by non-governmental, criminal actors in the ghettos.

Add to this the fact that penal standards can collide with the values and behavioral patterns of the majority of the population, as illustrated in the controversial discussion about the legalization of the popular drug marijuana. Observers hope

that a stronger civil society will be the impetus for strengthening Jamaica's democratic institutions and practices.

3.2 Market economy

While Jamaica's political system has to be considered a democracy for quite some time now, the model of a free market economy has developed only very hesitantly. In spite of the considerable openness of the Jamaican economy there is only very little competition in the big and important economic sectors. Competition is circumvented by oligopolies as well as by the influence of families or clans in the form of cross-membership in the boards of firms and organizations. By means of WTO regulations and the establishment of a Fair Trading Commission fair competition is now to be guaranteed in all economic sectors. To finally achieve this aim, there is still a long way to go for Jamaica.

In the time covered by this report, the economic development stagnated by and large. High unemployment, violent crime, non-existent or insignificant economic growth, high debts and uncontrollable external forces impede economic policy.

3.2.1 Level of socioeconomic development

Key indicators show a medium-range developmental level that lags behind other of other states of the Commonwealth Caribbean that otherwise have much in common with Jamaica. Social exclusion is quantitatively and qualitatively very distinct. Poverty and unemployment rates are as high as ever. According to CEPAL data, the unemployment rate ranges between 15% and 16% since beginning of the 1990s.

18,7% of the population is living below the national poverty line. According to UNDP, 13,3% have only 2\$ a day at their disposal – this complies with the poverty rate in Costa Rica. In Jamaica, the origin of a person's ancestors (skin color) and social class are closely connected—a legacy of Jamaica's history of slavery and colonialism. Policies of the last years, however, could prevent the poorest fifth of the population to suffer outstandingly under deteriorating conditions. Belonging to the lighter-skinned minority is still correlating with prosperity.

3.2.2 Market structures and competition

The foundations of free-market competition are guaranteed. The Jamaican government has been pursuing a policy of privatization and liberalization since the 1980s. Price controls were abandoned. The economy is very open to foreign

trade. Antimonopoly legislation is intentionally – like in the Fair Competition Act of 1993 – not very far developed in order to create greater incentives for bigger and thereby internationally more competitive corporations. The criteria for market efficiency also apply for the authorization of fusions.

A bauxite levy introduced in the 1970s, which led to a grave conflict between the Jamaican government, on the one hand, and the aluminum multinationals and the United States government, on the other, has been dropped. Jamaica imposes duties on imports to protect its markets and enjoys preferred export relations with the EU, the United States and Canada. The protective duties and preferential trade agreements will be suspended as soon as the Free Trade Area of the Americas becomes reality, the under LOME reached agreements with the EU will run out and the guidelines of the Cotonou-Agreement will be implemented. Jamaica has a banking system and capital market that are independent and open to foreign trade.

3.2.3 Stability of currency and prices

During the evaluation period, the government has kept inflation, which was extremely high 10 years ago, low and maintained a stable exchange rate. The government has been pursuing a policy of macroeconomic stability under the direction of the IMF. Jamaica's fiscal policy is impaired by heavy debts, losses by the Bank of Jamaica and a surprisingly high budget deficit (see Table: Development of macroeconomic fundamentals).

3.2.4 Private property

Property rights are guaranteed. The government has a policy of privatization of state-owned enterprises, including a power supply company and an airport. The repeal of the bauxite levy favors foreign investors.

3.2.5 Welfare regime

Economic decline, unemployment and poverty have negatively affected a social system that was, compared with other systems in the region, considered exemplary until the 1960s. Moreover, structural adjustment measures brought drastic cuts in social services and the public health system. Nevertheless, the poverty level fell from 30 % in 1990 to 16.9 % in 2001.

The government devotes almost 60 % of its spending not used for debt payments and debt service to social services. With regard to equal opportunities, women on average receive lower wages than men and are underrepresented in leading positions. Women enrolled in educational institutions continue to outnumber men

significantly with an increasing tendency. For example, in 2002 70 % of students at the University of the West Indies were women.

3.2.6 Strength of the economy

GDP growth has been stagnant during the evaluation period and is accompanied by more negative macroeconomic data. Although the government has executed a successful inflation containment policy and kept a relatively stable exchange rate, serious problems remain: They include debt that considerably exceeds GDP, a high unemployment rate, poverty, a disadvantageous trade balance and a substantial budget deficit. Limited economic growth remains vulnerable and extremely dependent on outside forces, and economic success can be very quickly destroyed by unforeseeable catastrophes. The terrorist attacks in the United States on September 11, 2001 hit Jamaica's tourism industry hard. On top of this, the industry also suffered from the devastation caused by a hurricane that same year.

3.2.7 Sustainability

Jamaicans are conscious of the importance of environmental protection, which was originally promoted by non-governmental organizations and has more recently been taken up by the government and its development partners. An unspoiled environment is important, especially to the tourist industry, and has immediate rewards. The Jamaican government has developed policies to protect natural resources and has established a new administrative body to better coordinate environmental protection and planning. Implementation of environmental policies is hindered by coordination difficulties as well as by the sluggish judicial system. Above all, however, the limited financial resources of the state budget result in the fact that measures are actually implemented, but cannot be maintained without sufficient financial support.

Jamaica guarantees free access to education. In 1998, 95.6 % of children from the ages of six to 11 attended primary school. In addition to some colleges, the University of the West Indies, which is a regional university for nations of the Commonwealth Caribbean, offers university-level studies. One of its three campuses is located in Jamaica. There are two more universities in Jamaica: the University of Technology and the Northern Caribbean University: In the region as well as in North America they have a reputation as being respectable educational institutions. Education is one of the government's priorities, and one-fifth of the budget is provided to implement aims in this policy field.

4. Trend

(1) *Democracy*: State identity and political participation have improved considerably in individual areas. Both during the elections at the beginning as well as the end of the evaluation period, violence connected with the elections decreased compared with previous elections. Twelve deaths were recorded in 1997 in connection to the elections. In 2002, the total was seven. Considering the high murder rate in Jamaica, it is difficult to ascribe the deaths directly to the elections.

Garrison constituencies constituted an estimate 12 of 60 constituencies in the mid-1990s. An analysis of the 1997 elections showed that typical election behavior for such political strongholds had dropped considerably, and only 10 constituencies could still be classified as garrison constituencies. Nine constituencies were mentioned in 2000, and only four garrison constituencies stood out in coverage of the 2002 elections. Independent election observers have been overseeing the election process since the 1997 elections, and voter registration is now an ongoing process and does not simply take place at certain times.

Municipal elections originally scheduled for 1993 were finally held, after several delays, in 1998 even though the disputes that had caused the delays had not been completely settled. Jamaica's third largest party at the time boycotted the elections. During the evaluation period, the confrontation peaked with several days of violent clashes in 2001 where 24 people were killed. Judicial reform, which has already been decided, should speed up the courts' work and help them operate more effectively.

Overall, a gradual turning away from the patronage-based behavioral pattern is noticeable. Democracy as a system of government remains stable and consolidated and is not questioned.

(2) *Market economy*: Jamaica's development status as ranked by the HDI has remained unchanged over the last five years. The same also applies for other socioeconomic indicators as well.

The institutional framework for a market economy has improved due to structural adjustment policies, especially privatization and liberalization. Measured by the growth achieved in the last three years of the evaluation period, the overall economic development has slightly improved both quantitatively and qualitatively.

Table: Development of socioeconomic modernization indicators

	HDI	GDI	GDP index	Gini index	UN education index	Political representation of women ^a	GDP per capita (\$, PPP)
1998	0.735	0.732	0.59	n.a.	0.78	16	3.389
2001	0.757	0.750	0.60	n.a.	0.83	13.6	3.720

^aPercentage of female representatives in the House of Representatives after the 1997 and 2002 parliamentary elections. Sources: UNDP, Human Development Report 2000, 2003.

Table: Development of macroeconomic fundamentals (1998–2002)

	1998	1999	2000	2001	2002
GDP growth in %	-0.4	-0.4	0.7	1.7	1.0
Export growth in %	-6.9	-3.3	3.7	-5.3	-9.2
Import growth in %	-5.3	-1.9	-10.2	5.2	3.5
Inflation in % (CPI)	7.8	6.9	6.0	8.8	7.3
Unemployment in %	15.5	15.7	15.5	15.0	15.0
Budget deficit in % of the GDP	-11.1	-4.2	-0.9	-5.8	-9.0
Balance of payments in billion US\$	-327.7	-215.7	-387.0	-788.0	-1,103.0

Sources: Dresdner Bank Lateinamerika (<http://www.dbla.com>); Planning Institute of Jamaica <http://www.pioj.gov.jm/>; Jamaica Information Service <http://www.jis.gov> (accessed on February 20, 2003).

5. Transformation management

5.1 Level of difficulty

At first glance, the originating conditions for transformation management were rather promising. The level of education is comparatively high, there is a strong civic tradition, and Jamaica has been a market-based democracy for quite a while, though with a poor democratic quality and poor economic performance. It is ranked among middle income countries. While parties in Jamaica are not organized according to ethnic, religious or social lines and ideological differences hardly play a role anymore, there is a sharp confrontation between the two largest parties and their constituents. With regard to the existence of formal democracy and an orderly market economy, the baseline conditions were favorable. However, with regard to far-reaching qualitative improvement, they were unfavorable.

5.2 Reliable pursuit of goals

Due to the country's dependence on foreign funds, the scope for action by political actors in Jamaica is limited. They must consider the guidelines and interests of international organizations, as well as powerful trade partners and financial backers. The objectives and interests of Jamaican, transnational and foreign actors are not necessarily identical. While the United States, IMF and other international organizations favor deregulated markets at the global and national levels, politicians in the Commonwealth Caribbean, and therefore also Jamaica, prefer a social market economy for both internal as well as international economic systems.

At the beginning of the evaluation period, as preparations for the Free Trade Area of the Americas (FTAA) intensified and accelerated, both Jamaica, the English-speaking Caribbean countries and large parts of Latin America viewed the FTAA mainly as a threat.

The same applies for efforts to set up a common market in the EU. The governments of Jamaica and the Commonwealth Caribbean have resigned themselves to the unavoidable and tried determinedly to adapt their national economies to the new challenges as best they can. They want to limit damage from a transformation process upon whose direction and objectives they have little influence. They hope to achieve conditions that are as favorable as possible during negotiations over the Free Trade Area of the Americas (FTAA) and with the EU.

In regards to the FTAA, Jamaican diplomat Richard Bernal has spoken in favor of free trade "with a human face" that also respects the interests of the small developing states. During the evaluation period, the two sides' different ideas about the structure of the global economy led to a trade conflict about bananas between the Anglo-Caribbean countries and the EU on one hand, and the United States, American multinationals and Latin American countries on the other.

With regard to the quality of democracy in Jamaica, there is a dispute about which measures can eliminate existing shortcomings. The Jamaican government is determinedly pursuing certain reforms. Other reforms are discussed but not put into effect or are vehemently rejected by the opposition. With only few exceptions most political actors distrustfully pursue their own political interests, which in some cases are closely related to the shortcomings of Jamaican democracy. On the other hand, forces of civil society are cooperating time and again for the realization of common interests which cannot be guaranteed by the government due to the weaknesses of the Jamaican democracy. The government's policies provide citizens with a secure framework for the country's judicial and economic systems. This security is put at risk by violent crime and the inefficiency of the

security forces and judicial system, as well as by unexpected setbacks from outside forces.

5.3 Effective use of resources

Resources are often used inefficiently. Several factors, including the extremely high degree of violent crime, the inefficiency of security forces and judicial system, and the complicated and bureaucratic tax system, prevent Jamaica from taking advantage of its development potential. According to the IMF, wages do not correspond to worker productivity and the overall economic situation. The government can realize some of its reform goals, but it has to accept setbacks in other areas. Successful stabilization policies in the financial sector are faced with heavy debts. Public services provided by the government enable fundamental development and transformation measures while keeping the aforementioned shortcomings in mind.

Jamaica's citizens are well educated because of the systemic reforms of the 1990s. Education and public health care systems are being threatened by cutbacks in government funding. Development is being hampered by the emigration of educated and qualified people, even though remittances are an important source of revenue. The combination of violent crime, drug trafficking and party politics seriously interferes with the fight against corruption. There is no public financing of political parties, which would be accompanied by more transparency and control of party finances, and make the parties more independent of private and criminal interest groups. The media and the courts are independent. On a symbolic level, the political elite supports the preservation of Jamaica's cultural heritage, which is especially embedded in the poorer black African classes of the population. Jamaica's culture, namely its music, provides an external presentation that is important for attracting tourism.

5.4 Governance capability

The ruling party, which followed economic and developmental political concepts for ideological reasons, realized in the late 1980s that – due to foreign policy considerations and in terms of the national development project – it could not follow alternative or socialistic development models in the global economic and political environment at that time. Since its reelection in 1989, the PNP has concentrated on adapting Jamaica's national economy to the given world political and world economic framework. Jamaica's governments have proved ready to learn and able to work efficiently with the IMF. They have achieved important objectives. The content, direction and context of individual reform steps are discernible.

All actors agree they must fight crime in order to strengthen Jamaica's democratic institutions. Suggestions on reforming the constitution are controversial, not least because it is not clear whether the reforms will strengthen democratic structures. Also, some of the suggestions question the current power structures. Because the constitution offers considerable powers to the parliamentary majority, the government, which enjoys a stable majority in Parliament, has substantial control over most important decisions. This is not a case for changing the constitution, which would require the consent of the opposition; certain parts of the constitution, however, can be changed without their consent.

5.5 Consensus-building

Nearly all political and social actors have declared their support for market-based democracy, but dispute about its concrete features. Actors like trade unions, farmers' organizations, a growing civil society, smaller firm associations, women's groups, environmentalists etc. question the establishment of the market-based democratic model and demand specific safety mechanisms for those groups whose vulnerability increases due to the free market economy. One of the questions posed by government and civil society groups is: "Who has to carry the largest burden during the introduction and consolidation of the market-based model?" The consensus-building between social classes and groups, private sector, government and political parties remains difficult, as long as this question is unanswered.

There are no anti-democratic vetoing agents. Representative democracy is rooted in the political culture. The PNP has not challenged the idea of an orderly market economy since the late 1980s, and the JLP never has. The fact that Jamaica's national economy must be adapted to global economic trends and political guidelines of the international environment is viewed as a necessity. The IMF considers union wage policies to be an obstacle to structural growth.

Jamaica's governments have succeeded in ensuring that any potential political conflicts along ethnic, religious or social lines will not be the focal point of politics. Instead, the two main parties and their constituents view each other as enemies. This has not changed, even during the evaluation period. The number of garrison constituencies, in which a party holds sway over the constituency and does not allow the other party an opportunity to be active in the constituency, has obviously diminished.

Nevertheless, during the evaluation period relations between the two parties were characterized by hostility and distrust, which also erupted into violent clashes. The government has tried to introduce measures to fight crime – like the ombudsman or an anti-crime program – in order to reduce the violence.

However, both parties owe their positions of power to the polarized, two-party system. For this reason alone they are not interested in repealing this main feature of the political system. Both the government and the opposition support the unnecessary polarization of party politics. One example of this is the government's plan to establish a Caribbean Court of Justice to act as the final court of appeals and court of law for disputes with the other CARICOM nations within the Caribbean Community. The opposition – but not necessarily the majority of the Jamaican population – fears that the government will have too much influence on the new court and prefers to maintain the Privy Council as the final court of appeals and is calling for a referendum on this matter. The government will be able to declare itself part of the Caribbean court anyhow, without the constitutional necessity of a referendum. The government wants to push the change through without a referendum. One of the governing party's own senators, however, stated that a vote would be appropriate and that the lack of a referendum would only increase the distrust of the opposition.

The government actively supports non-governmental organizations and the country's civil society. A number of governmental programs are directly aimed at improving the living conditions of juveniles and the poor and better integrating them into Jamaican society.

The greatest historical injustices in Jamaica's history were slavery and colonialism, along with the racism that accompanied both phenomena. There is no acute conflict between ethnic groups or between groups whose ancestors suffered under slavery, racism and colonialism and groups whose ancestors profited from them. The nation of Jamaica stresses that all its citizens are equal regardless of their background within the scope of the national identity, as expressed in the national motto "Out of Many, One People."

However, the cultural forms of articulation of the black African majority are particularly recognized through special tribute to religious and cultural elements and historic public figures. The shared monarchy with the UK and the position of the Privy Council in London as Jamaica's court of appeals are increasingly perceived as colonial relics. As a result, the government has recommended both be abolished, given Jamaica's national independence. For the first time, newly elected officials did not give their oath of allegiance to the British queen after the 2002 election, but rather to Jamaica's and the Jamaican people's constitution.

5.6 International cooperation

Jamaica has been working closely other countries and with many international organizations for many years (in most cases since its independence) on economic reforms and democracy. Some of the more important collaborations that deserve mention in the area of developmental and economic policies are with the IMF, the

World Bank, the Organization of American States (OAS), the Inter-American Development Bank, the United States, Canada and the European Union.

Above all, the IMF and the World Bank are responsible for coordinating the structural adjustment and stabilization programs. Jamaica's government abides by the conditions set by the IMF and the World Bank. The objective of all the above-mentioned actors is to strengthen and restructure the market economy in Jamaica.

The Free Trade Area of the Americas (FTAA) is currently being established within the scope of the OAS. On one hand, it will give Jamaica coveted access to the North American market, but on the other hand it will also open the Jamaican market up to an unknown level of goods from North, Central and South America. Unilateral trade relations would hence be replaced by a reciprocal free trade agreement. This will offer Jamaica new opportunities, but on the other hand it will force its economy, which has not had much competition in the past, to adapt to new circumstances. Until now, Jamaica has enjoyed one-sided customs tariff preferences for access to the markets of the EU, the United States and Canada.

The EU, which has trade ties with Jamaica through the Cotonou Agreement, also wants to replace the unilateral trade preferences for mutual free trade. However, it has negotiated a provisional extension with African, Caribbean and Pacific (ACP) states until 2008. The Jamaican economy is also under pressure to adapt from this direction, even if it is less pressure than in the American context.

Several external actors support representative democracy in Jamaica, in particular CARICOM, the OAS, the EU, the Commonwealth Caribbean and various non-governmental organizations. Both CARICOM and the OAS attach great importance to the fact that their member states are democratically ruled. They are also prepared to act as mediators in domestic problems and impose sanctions or intervene if a member state turns away from democracy. Since the end of the Cold War the EU expects its ACP partners to adhere to at least a minimum standard regarding human rights and democracy.

Commonwealth countries have explicitly declared their support for democracy since 1991 and impose sanctions on those members who abandon democracy or severely violate human rights and democratic rules. The Carter Center, founded by former U.S. President Jimmy Carter, sent a team of international election observers to oversee the 1997 and 2002 elections. If democracy were to be abolished in Jamaica, the non-democratic regime would be isolated both regionally and internationally and would not only have to reckon with sanctions but with intervention as well.

International observers consider the Jamaican government reliable and calculable, but the high level of violent crime scares off many potential investors and tourists. Jamaica was originally supposed to be awarded its independence as part of the

West Indies Federation. Jamaica joined the West Indies Federation in 1958 but withdrew after Jamaican voters rejected membership in 1961. Organizations devoted to regional integration decided to replace the Federation with a Caribbean Community and created CARICOM in 1973.

The functional and economic cooperation of CARICOM countries has intensified in the last few years and should become even more integrated in the future. Jamaica constantly emphasizes that it is not striving for a political union with the other member countries. Negotiations with the EU within the scope of the preparations for the FTAA, which are crucial to Jamaica, are currently being conducted together by CARICOM members. Jamaica and the other member states have united to negotiate with the industrialized nations to ensure that they optimize the benefits and mitigate the negative consequences of the free trade areas.

6. Overall Evaluation

In view of the originating conditions, current status and evolution achieved, as well as the actors' political achievements, this assessment concludes the following:

(1) Originating conditions: The conditions at the beginning of the observation period were positive in regard to the existence of democracy and a market economy. Both are rooted in Jamaica as the government and economic form, and no alternatives exist. Conditions regarding the strength of democratic institutions and practices and the efficiency of the economy were unfavorable. Jamaica's democracy had significant deficiencies, and its economy was in a continual state of crisis.

The often-postulated connection between market-based development and the birth and consolidation of democracy does not apply to Jamaica. Representative democracy as a system of rule remained stable despite the economic failures and deteriorating socioeconomic indicators. However, other factors were apparently more critical: the anchoring of representative democracy according to the traditions of the Westminster model in Jamaica's political culture and the integration of even the poorest citizens in the democratic political system through patronage-based structures. On one hand, patronage stabilizes democracy as the system of rule, but it also weakens democratic institutions and is accompanied by factors that considerably hamper democracy, civic order and economic achievements.

(2) Current status and evolution: There have been developments in the democratic transformation that can only be viewed as improvements in the quality of Jamaica's already existing, stable, but unsatisfactory democracy. Municipal

elections have taken place again, political violence during elections has diminished, and the number of garrison constituencies has shrunk. The government passed a law to reform the judicial system after the 2002 elections, and more reforms are on their way.

Jamaican democracy faces the same problems it did five years ago, but there have been some changes towards a modern, non-patronage-based democracy. Democracy is still not being questioned, and in light of the international environment, it is more unlikely than ever to turn away from democracy.

Economically, the Jamaican government is continuing structural adjustment and liberalization policies. Macroeconomic development was stabilized. The government has maintained the level attained in the mid-1990s in many areas and has achieved new economic growth near the end of the evaluation period. Despite the advances in reducing democratic shortcomings and consolidating economic achievements, the evaluation period was generally characterized by stagnation.

(3) *Management*: Jamaican actors used their rather limited scope of action in the economic sector. They have single-mindedly pursued a successful policy of fiscal stabilization in close cooperation with the IMF, the World Bank and foreign development assistance organizations. Jamaica had to cope with several catastrophes and severe setbacks during the evaluation period: a hurricane, deteriorating trade conditions with industrialized nations, and financial losses suffered by the tourist industry following the terrorist attacks on September 11, 2001. In summary, it can be said that Jamaican decision-makers have efficiently used the limited latitude at their disposal.

7. Outlook

Democracy and the market economy in Jamaica are secure, but it remains to be seen whether the country can improve its achievement potential. Time will tell whether or not planned reforms will be implemented. The most pressing reform needs are to eliminate or considerably reduce the interdependent factors of violent crime, drug trade, poverty, unemployment, corruption and excessive police brutality. This would also improve the economy. To strengthen the rule of law, the judicial system and the security forces need to be reformed. Strengthening civil society would considerably influence the success of these efforts. It is questionable whether other reforms that have been discussed, such as electoral and constitutional reforms, can be pushed through or even make sense.

It remains to be seen whether Jamaica will be able to build on the previous economic reforms in light of its poverty, unemployment, substantial debt and budget deficit. The Jamaican government will continue to follow the recommendations of the IMF due to its massive payment obligations and its

budget deficits. After decades of having followed the guidelines of the IMF, Jamaica has already achieved some progress. Nevertheless, groundbreaking developments cannot be observed yet. Even unilateral trade preferences have done little to contribute to further economic development. It remains unclear how Jamaica's national economy, which has not been very competitive, will be able to compete successfully in the Free Trade Area of the Americas, which forms in 2005. Even warnings to the Jamaican population to prepare for the coming competition will not change that.