

COUNTRY PROFILE



Jamaica

GLOBAL RANK: 71st= of 104



Tying for 71st place with Indonesia, Jamaica ranks 68th for Economic Competitiveness and 73rd for Comparative Liveability. Jamaica's main difficulties are low incomes and low scores for commercialisation of innovation.

● BACKGROUND

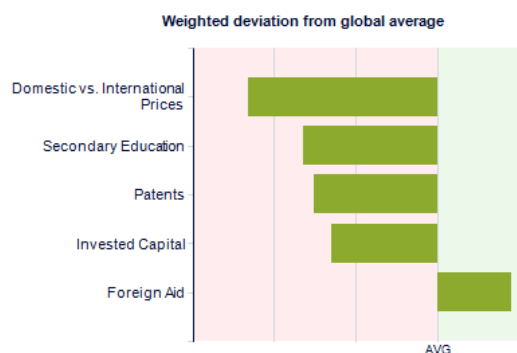
Since gaining independence from British rule in 1962, this Caribbean island has made only faltering economic progress, and unemployment, school absenteeism, and illiteracy rates are still high. An inefficient agricultural sector has made Jamaica heavily dependent on food imports. Government investment is hampered by national debt. The high inflation rate, reaching 17% in 2007, risks pushing many Jamaicans back into poverty. Tourism and bauxite mining are the major foreign exchange earners. Jamaica has one of the world's highest levels of violent crime, concentrated in impoverished slums in Kingston.

FAST FACTS

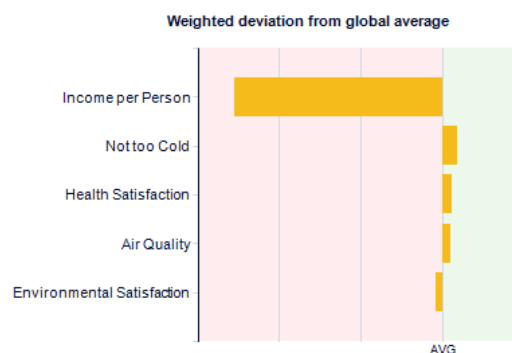
Population:	2.8 million (2008 est.)	FDI (net inflow):	7.52% (2006 est.)
Life Today	6.2 (2006 est.)	Exports	18.07% (2006 est.)
GDP (PPP)	\$20.67 billion (2007 est.)	Imports	51.23% (2006 est.)
GDP (Growth)	1.4% (2007 est.)	Unemployment:	9.9% (2007 est.)
GDP (per Capita)	\$7,700 (2007 est.)	Life Expectancy	73.59 years (2008 est.)
Political System:	Constitutional Parliamentary Democracy		
Foreign Aid:	0.07% (2006 est.)		

● KEY SCORE DRIVERS

ECONOMIC COMPETITIVENESS



COMPARATIVE LIVEABILITY



In the last couple of decades, the Jamaican government has undertaken an ambitious programme of economic liberalization, removing exchange-control restrictions on foreign investments and cutting tariffs. Jamaica now combines a free-market economy with some remaining state-owned enterprises. Considering the small size of the island, the economy has a wide variety of industrial and commercial activities, including agriculture, mining, manufacturing and tourism, avoiding dependence on foreign aid. However, movements in relative price levels suggest a serious weakness in both competition in domestic markets and international competitiveness.

Free-trade zones have stimulated investment in garment assembly,

Jamaica is nearly the only country that ranks better on Economic Competitiveness than on Comparative Liveability in Latin America. This is due to consistently moderate or mediocre scores on most liveability indicators. The few positives include the climate score (which may come as no surprise), and generous amounts of leisure time (nearly 6⁹ hours per day) as well as the widespread reporting of clean air, according to the Gallup World Poll. Still, the country's favourable environment is seen as under threat from population pressures and pollution: relatively few Jamaicans report satisfaction with the preservation of the environment, according to Gallup.

At \$3,907, low average incomes lead to serious poverty. Jamaica faces high levels of crime and violence, and unemployment is over

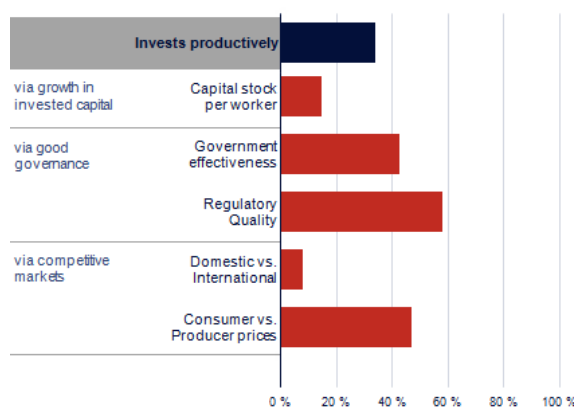
light manufacturing, and data entry by foreign firms. However, restrictive import and export licensing rules persist, along with import fees and taxes, and export subsidies, adding up to a moderately low openness score. Although this is in line with other similarly-ranked countries, it is worrying for an island economy. Levels of capital investment are also low.

Low levels of mass education are perhaps one reason for this lack of productive investment. In terms of highly-skilled human capital, Jamaica's capacity for innovation is seriously limited, as reflected in the levels of high-tech exports and the number of patents granted. Nonetheless, entrepreneurship scores well, at least in regard to the low costs of starting up a business, suggesting an improving regulatory environment.

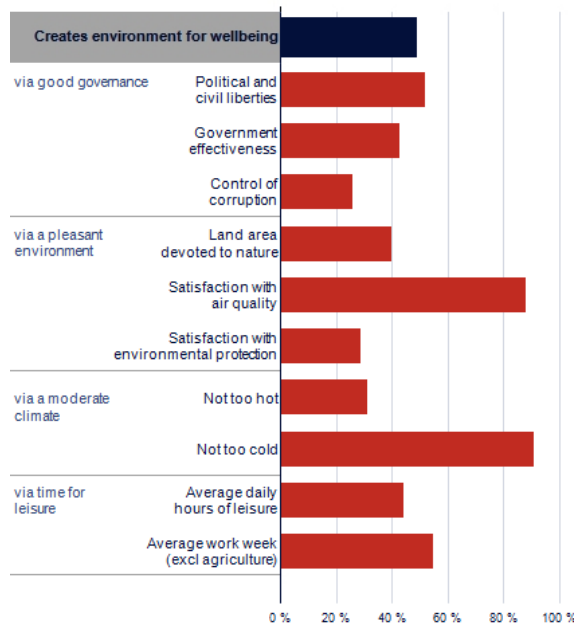
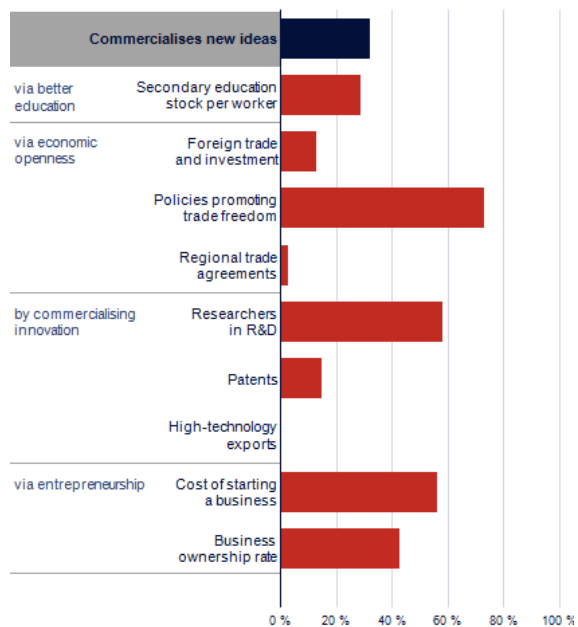
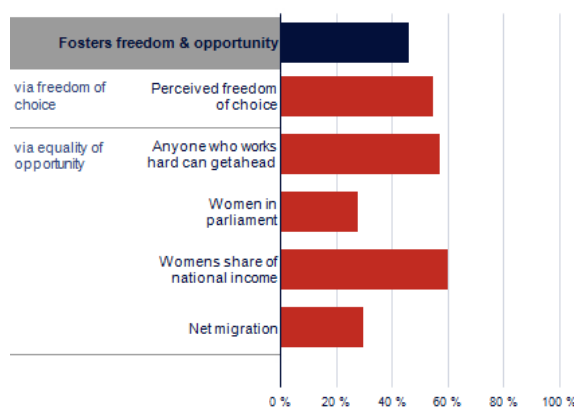
10%. This has seriously damaged the country's social capital, and predominantly affects the young. Low levels of community involvement in volunteering and charitable giving are reported.

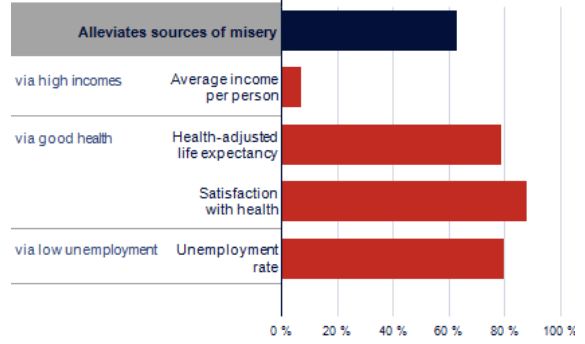
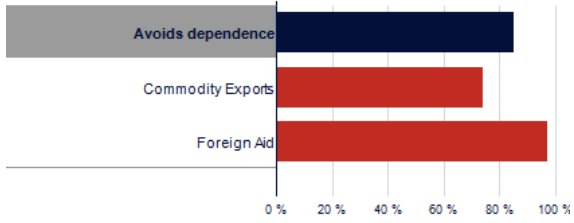
More positively, 91%⁹ of Jamaicans report that they have someone to rely on, suggesting a good family life. Even though HIV/AIDS has become a major health challenge in recent years, a health-adjusted life expectancy of 65.1 years is on a par with regional standards, although well behind global leaders. Satisfaction with personal health is high.

ECONOMIC COMPETITIVENESS: SCORECARD

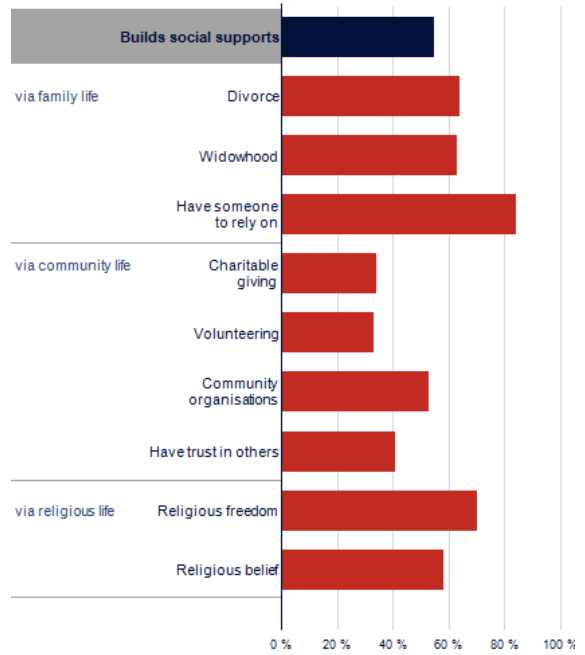


COMPARATIVE LIVEABILITY: SCORECARD





All subindicator scores in the Index are shown unweighted, expressed as a percentage of the score for the best-performing country in the Index. Indicator scores (in dark blue) are derived from the weighted average of relevant subindicators. For more information on how the subindicator scores are weighted to produce indicator scores and an overall Index score and ranking, see Chapter Two of this report.



References:

^{9, w} See www.prosperity.com/references.aspx for further details including date of survey, sample size, and margin of error.